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INTRODUCTION

The Town of Los Altos Hills offers a residential environment rare in the San Francisco Bay Area. Its rural density, rolling terrain, dense vegetation, strong community stand on environmental protection and compatibility, and its adjacency to lands of the Midpeninsula Regional Open Space District have resulted in a highly desirable location for residential development. This desirability, even with severe constraints to development such as extreme slopes, unstable soils, hydrologic hazards, and a minimal vehicular circulation system, have driven the cost of housing in the Town upward. Nonetheless, residential development, the only type of development allowed within the Town, is low in density and carefully sited upon the land to ensure compatibility and harmony between residents and the environment. It is a setting, both natural and man-made, which makes Los Altos Hills distinct among its suburban-density neighbors to the north, east, and south.

In the mid-1950's Santa Clara County's trend of permitting development to over-burden the natural environment through higher densities and smaller lots served as a catalyst for the Town's 1956 incorporation. The County's pattern of development approvals was considered counter to sound stewardship of the land and its delicate resources. Then, today, and perceivably into the future it is the Los Altos Hills community's desire to preserve and maintain the rural atmosphere associated with the its established residential areas.

In addition to the rural residential development allowed by the then newly incorporated community, the Town also allows uses accessory to rural residential style development such as small-scale crop and tree farming, keeping of horses and other domestic animals, and other agricultural pursuits compatible with the primary rural residential uses. The Town also encourages private and public park and recreational uses necessary to conveniently serve the residents, public and private schools, churches, fire stations, and community centers needed locally to serve Town residents. The goal in incorporation was to provide, amidst open spaces, residential uses and the minimum public and private facilities and services necessary to serve Town residents on a continuing basis.

Uses other than rural residential, such as retail and medical services and employment centers, are readily available in adjoining, suburban communities, and their duplication in the Town, especially to serve a relatively small population, is unnecessary.

REQUIREMENT FOR A HOUSING ELEMENT

California has been a dubious leader in the fading "American dream" as the cost of land, construction, regulatory processes, and environmental protection have combined to make it the most expensive state in the nation in terms of housing costs. Several years ago the State Legislature took notice of this situation and made the following findings:

- “The lack of affordable housing is a critical problem which threatens the economic, environmental, and social quality of life in California”;
- “California housing stock has become the most expensive in the nation”;
- “Among the consequences of those actions are discrimination against low-income and minority households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commuting, and air quality deterioration”; and
- “Many local governments do not give adequate attention to the economic, environmental, and social costs of decisions which result in disapproval of affordable housing projects, reduction in density of affordable housing projects, and excessive standards for affordable housing projects.”¹

From these findings evolved a requirement that a housing element be a part of every general plan². As the general plan is “...a comprehensive, long-term plan for the physical development of the county or city...”³, the housing element is “...a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing...”⁴.

Article 10.6, Section 65583 of the California Government Code identifies the basic content of a housing element. In brief, each housing element is required to include:

- “An assessment of housing needs and an inventory of resources and constraints relative to the meeting of those needs”;
- “A statement of the community’s goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing”; and
- “A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element....”⁵

HOUSING ELEMENT PLANNING PERIOD

This Housing Element Update supersedes the 1998 Housing Element. The Update is intended to guide the Town’s policies and programs on housing through June 30, 2006.

¹ Excerpts from Article 10, Section 65589.5(a) of the California Government Code.

² Article 5, Section 65302 of the California Government Code identifies seven mandated general plan elements, which include land use, circulation, housing, conservation, open-space, noise, and safety.

³ Excerpted from Article 5, Section 65300 of the California Government Code.

⁴ Excerpted from Article 10.6, Section 65580 of the California Government Code.

⁵ Excerpts from Article 5, Section 65583, subparagraphs (a), (b), and (c) of the California Government Code.

LOCAL HOUSING ISSUES

The Town's desire to preserve a rural environment does not preclude the dedication of energies toward housing issues. Two such key issues identified in the Housing Element are opportunities for more affordable housing and the provision of housing for the Town's aging population.

Prior to 1989, the renting of residential second units in Los Altos Hills was prohibited, and they were instead reserved for domestic help and guests. Shortly after adoption of the 1988 Housing Element, however, that restriction was lifted, adding significantly to the Town's existing and freely available housing stock. Residential second units provide for the Town an excellent source of more affordably priced housing, and the Town is eager to promote these units in the future.

A large percentage of the Town's population consists of the elderly, many of whom live in underutilized homes as younger household members relocate. Long-time elderly residents in particular tend to stay in their homes despite the burdens of maintaining large homes well beyond their physical needs. The housing needs of the elderly will continue to be an important part of the Town's housing policy for years to come.

CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS

As this Housing Element Update does not propose substantive alterations in land use, circulation, or other features of development in the Town, it remains consistent with other General Plan elements.

PUBLIC PARTICIPATION

Government Code 65583(c)(B) requires that the Town "make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element". A Housing Subcommittee was appointed by the Town Council that included two members of the Town Council and two Town residents that were identified by the Town as having special knowledge of the community and its housing issues. The Subcommittee met to discuss and update goals, policies and programs that focus on meeting the Town's current housing needs and addresses comments by the State Department of Housing and Community Development (HCD). The Subcommittee forwarded their recommendations to the Town Council for incorporation in the document. The revised Housing Element was then forwarded to HCD for review and comments, prior to adoption.

In addition, the 2002 Second Unit Survey was mailed to all property owners within the Town limits in September 2002. This mailing served to obtain updated information on second units such as number of new permitted units, rental rates, etc., as well as to elicit comments on other programs under considerations in the 2002 Housing Element such as the density bonus programs and interest in permitting non-conforming units and/or in the development of secondary units.

The Draft has been revised in response to comments received on the Draft Housing Element from the State Department of Housing and Community Development (HCD). The Draft 2002 Housing Element will be posted on the Town's Web Page to allow all residents and interested parties the opportunity to view online and direct comments to City staff accordingly.

Note to HCD:

Prior to adoption of the Housing Element, the Town will post the revised Draft Housing Element and will hold public hearings by the Planning Commission and City Council. The public hearing schedule will be incorporated in the Housing Element. These hearings will be advertised in the newspapers and will be posted on the Web Page.

ORGANIZATION OF THE HOUSING ELEMENT

This Housing Element is divided into several distinct sections which generally parallel requirements of the State's mandated housing element contents:

- Evaluation of the 1998 Housing Element – an assessment of the strengths and weaknesses of the Town's implementation of the 1998 Housing Element
- Population, Household, and Employment Trends – an examination of historic data and the forecasting of future trends as a prelude for defining local housing needs
- Housing Needs - the identification of specific housing needs
- Constraints and Opportunities to Housing Development – a review of physical and institutional constraints to the development of housing necessary to meet local needs and an exploration of opportunities to promote residential development
- Energy Consumption and Conservation – a discussion of opportunities to conserve energy consumption in residential development; and
- Housing Goals, Policies, Programs, and Objectives – the identification of specific goals, the setting of specific objectives, and the development of programs, all focused on meeting the identified local housing needs.

EVALUATION OF THE 1998 HOUSING ELEMENT

As noted, this Housing Element represents an update to the Town's 1998 Housing Element. The 1998 Element's goals centered on efforts to provide for development and housing opportunities while at the same time preserving the Town's rural residential environment and natural setting. In developing this Housing Element Update, an assessment of the 1998 Element was conducted, the purpose of which was to identify those aspects of that Element which were successful or continued to demonstrate promise and to eliminate or revise those components which did not yield the desired results.

The Town has successfully implemented a number of the programs outlined in the 1998 Element, and in so doing, has added significantly to the Town's stock of available rental housing, assisted nonprofits concerned with special housing needs, and has removed or reduced constraints to the development of housing. The success of these programs has resulted in:

- The development of 33 new residential second units since 1998;
- Expediting the development review process for second units by: (1) allowing staff level approval of all second units when consistent with applicable development standards, and (2) making information on the permitting process of second units readily available to Town residents and prospective builders;
- Completed an inventory of vacant and underdeveloped lands suitable for residential development;
- Updating the 1994 Secondary Survey in Fall 2002 as a method of monitoring the success of the secondary unit program in meeting regional fair share requirements.
- Providing financial support to local nonprofits and organizations that provide special housing needs for the Town and the region;

Some programs outlined in the 1998 Element were not as successful, including:

- The development of an inventory of residential units accessible to the physically challenged.
- Establishing an in-lieu fee on newly developed residential properties which do not include the concurrent development of a residential second unit.
- Creating a fund to promote the development of residential second units.

Appendix C to this Element provides an in-depth, program-by-program discussion of the 1998 Element's implementation.

Those goals, policies, and programs found successful, potentially successful, and effective which were developed as part of the 1998 Housing Element have been carried forward either wholly or partially into this Element to continue those efforts. Likewise, those goals, policies, and programs of the 1998 Element found to be unproductive in terms of the Town's overall housing goals were not carried forward.

POPULATION, HOUSING AND EMPLOYMENT TRENDS

Prior to the identification of housing needs and the development of goals, policies, programs, and objectives to address those needs, it is necessary to understand the demographic context for that analysis. Information utilized to develop a community and housing profile of the Town was obtained from various sources, including the United States Department of Commerce's Bureau of the Census, the California Department of Finance's Demographics Research Unit, and the Association of Bay Area Governments.

The following highlights the data presented in this section:

- The Town has a vacancy rate of less than three percent, a rate that is lower than desirable vacancy levels to accommodate residential mobility, particularly within a market that has experience extraordinary growth
- The Town has and will continue to grow at a relatively slow pace, due in part to a limited supply of easily and inexpensively developable land;
- The Town's population, like that of the region and nation, is aging;
- The Town's household income is the highest in the County and one of the highest in the State;
- There is minimal occurrence of poverty within the Town;
- Most of the Town's households are made-up of families, as defined by the Bureau of the Census;
- The Town's housing stock is in excellent condition;
- There is minimal overcrowding within the Town;
- The value of the Town's housing stock is extremely high;
- Most of the Town's residents are employed; and
- A relatively large portion of the Town's households allocate more than 35% of their household income toward housing costs.

It is reasonable to conclude from the information presented in this section of the Element that at least in terms of housing, the Town's residents are well satisfied and there is minimal if any localized need for conventional housing or for housing to meet special needs. Many of the Town's residents choose the community as a place to live, even with higher housing costs and lesser selection than adjoining suburban communities, specifically for the environment in which the Town is set, an environment which has been carefully preserved and cultivated over the years.

DEMOGRAPHICS

The data in the table below provides a demographic profile of the Town's community. An analysis of the data presented in the table is provided in the following sections.

TABLE 1			
Selected Population and Household Characteristics (1990-2000)			
	City	County	State
Total Population 2000	7,902	1,682,585	33,871,648
Total Population 1990	7,514	1,497,577	29,760,021
Percent Change 1990-2000	5.1%	12.3%	13.8%
Age Composition – 2000			
Under 18 years	23.5%	24.8%	27.3%
18-54 years	43.2%	57.9%	54.3%
55 years+	33.3%	17.6%	18.3%
Median Age – 2000 ¹	46.7	34.0	33.3
Racial Composition – 2000 ¹			
White	73.3%	44.2%	46.7%
Hispanic or Latino	2.2%	24.0%	32.4%
African American	0.5%	2.6%	6.4%
Native American	0.1%	0.3%	0.5%
Asian/Pacific Islander	21.1%	25.7%	11.1%
Other/Two or more races	2.8%	3.2%	2.8%
Median Household Income – 1990 ¹	\$115,851	\$48,115	\$35,798
Median Household Income – 2000 ¹	\$173,570	\$74,335	\$47,493
Average Household Size – 2000 ¹	2.86	2.92	2.96
Source: U.S. Census Bureau, 1990 and 2000 census			

Population Growth

The Bureau of the Census found the Town's population grew from 7,514 in 1990, to 7,902 in 2000, reflecting an annualized growth rate for the period of 0.51%. The 2000 Census data is well below ABAG's *Projections 2002* population forecast of 9,455 for the Town and Sphere of Influence in the year 2000. Beyond 2000, the population within the Town and its Sphere is expected to fluctuate from 10,000-10,500 between now and 2025.

Age Characteristics

The 2000 median age of the Town's residents is 46.7 years of age, an increase of 2.4 years (5.14%) from 1990 when the median age of residents was 44.3 years. The largest age segment of the Town's population consists of residents under the age of 18, which comprise about 23.5% of the Town's population. Other age groups well represented in the Town's population include residents 45-54 years of age (20% of the Town's population), and the elderly (about 17% of the Town's population, an increase from 13% in 1990).

According to the 1998 Element, the Town's median age increased by 6.7 years (17.62%) between 1980-1990. The 1998 Element argued that the high increase in the median age during this period "may be attributable to the greater cost of housing in the Town than other areas of the County, which likely precludes some younger, less affluent households from moving into the community." The small increase in the median age in the past 10 years confirms that the Town is continuing to get older, but at a much slower rate than the previous decade.

If the Town's population continues to age, increased demands will be placed on senior social and health services provided by the Town, County, State, and Federal governments. The overall aging of the population will also place demands on the type of housing developed or rehabilitated within the Town, especially to meet the needs of older, potentially less mobile individuals.

Ethnic Diversity

The Bureau of the Census found the Town's population in 2000 to be predominantly White (73.3%). Other categories tabulated included Hispanic or Latino (2.2%), Black (0.5%), Native American (0.1%), Asian or Pacific Islander (21.1%), and other (2.8%). Although the Town's ethnic mix is less diverse than in Santa Clara as a whole, it appears the Town is becoming more diverse due in large part to the significant increase of the Town's Asian or Pacific Islander population over the past 20 years.

HOUSEHOLDS AND RESIDENTIAL UNITS

The data in the table below provides a housing profile of the Town's community. An analysis of the data presented in the table is provided in the following sections.

TABLE 2			
Selected Housing Characteristics (1990 and 2000)			
	Town	County	State
Total Households – 2000	2,816	585,863	11,502,870
Total Housing Units – 1990	2,682	540,240	11,182,882
Total Housing Units – 2000	2,816	579,329	12,214,549
Median Year Homes Constructed	1965	1968	1967
Percentage of Units Owner Occupied – 2000	93.8%	58.5%	56.9%
Vacancy Rate – 2000	2.7%	2.3%	7.41%
Housing Values and Costs – 1990			
Median Housing Value	\$500,001	\$289,400	\$195,500
Median Contract Rent	\$1,000+	\$715	\$561
Sources: U.S. Census Bureau, 1990 and 2000 Census			

Number of Households

The Census Bureau found there were 2,740 households in the Town in 2000, an increase from the 2606 reported by the Bureau in 1990.

Beyond 2000, households in the Town and its Sphere of Influence are expected to increase, but at an even slower rate. In the publication *Projections 2000*, ABAG estimates the number of households in the Town and its Sphere will increase from the 2000 figure to a projected 2,850 households by the year 2020, representing an annualized increase of 0.2% during this period. The slowing increase in the number of new households is directly linked to the diminishing supply of new housing, which in Los Altos Hills is due to build out of the vacant land inventory, sewer capacity constraints and substantial environmental constraints to development.

Household Size

The Census Bureau found there to be 2.86 persons per household in 2000, a very slight decrease from 1990 where there were 2.88 persons per household. The decrease in household size during that ten years period is contrary to ABAG's *Projections 2000* that expected an increase in the Town's household size from 1990 to 2000 and beyond.

Families

According to the Census Bureau in 2000, 2,340 of the Town's 2,740 households were defined as family households while 400 were classified as non-family households. Approximately 92% of the families are married couple families, and nearly 40% of all families have children under 18. The latter statistic represents a significant decrease from 1990 Census data, when it was reported that nearly 79% of all families in the Town had children under 18.

RESIDENTIAL UNIT TYPES AND OCCUPANCY

In 2000 the Town had a total of 2,815 residential units, an increase of 133 units from 1990 when 2,682 residential units were recorded by the Census Bureau. This equates to an average of approximately 13 new units per year during the period 1980-1990. Town records suggest that in recent year the rate at which new residential units have been constructed has surpassed the previous decade. Appendix F includes a bar graph and chart of building permits issued for residential development for fiscal years 1994 through 2001. According to Appendix F, a yearly average of 26 new single family residences were added to the Town's housing stock during this period.

The 1998 Element reported that in 1990 approximately 98% of occupied residential units were detached single family residences. Considering the Town's zoning only allows for the construction of single family residences, it is likely this percentage will increase slightly with new residential development consisting exclusively of detached single family structures. In using the 1990 percentage, the Town would have approximately 2,740 detached single family structures based on 2000 Census data.

There are also two convents located within the Town's corporate boundaries – Daughters of Charity and Poor Clares. The Census identifies these convents as group quarters rather than as housing units, however, they do provide housing for approximately 125 people (85 at Daughters of Charity and 40 at Poor Clares) and the Town recognizes this unique contribution of housing to the region.

Vacancies

According to the Census Bureau, only 76 of the 2,816 residential units were vacant in 2000, resulting in an overall vacancy rate of 2.7%. Of the 76 vacant units, 14 were vacant due to their use as seasonal or vacation residences, resulting in an even lower vacancy rate for those units intended for year-round habitation (2.2%). Neither of these figures include the two convents. This rate that is lower than desirable vacancy levels to accommodate residential mobility, particularly within a market that has experience extraordinary growth such as was the case with the housing market in the late 1990's in Santa Clara County.

Tenure

According to the Census Bureau, the Town of Los Altos Hills had 2,740 occupied residential units in 2000, of which 168 (6.1%) were occupied by renters and 2,572 (93.9%) were owner occupied. The Town's housing stock currently provides housing for 7,837 residents. Approximately 425 of these residents reside in a renter occupied unit while 7,412 inhabit owner occupied units. The average household size for renter occupied units was 2.53 persons per household, which is below the average household size of 2.88 persons for owner occupied units. Both these averages are below the County's average household sizes of 3.00 and 2.80 for owner occupied and renter occupied units respectively.

2000 Census data suggest that almost 27% of all owner occupied units in Los Altos Hills are owned by elderly householders. In contrast, only 7.4% of owner occupied units in the County are owned by the elderly.

Overcrowding

According to the Census Bureau, in 1990 there Town had 2,606 occupied units, of which approximately 23 (0.9%) residential units were classified as being overcrowded. By definition, an overcrowded unit is defined as a unit occupied by more than one person per room (excluding the kitchen and the bathrooms). By comparison, the incidence of overcrowding in Santa Clara County as a whole was much higher in 1990, estimated by the Bureau of the Census to be 10.9% of all units.

HOUSEHOLD INCOME

In 1990, the most current year for which Census data on median household income are available, Los Altos Hills had a median household income of \$115,851, more than twice the County median of \$48,115. Mean and median household incomes for Los Altos Hills have historically been significantly higher than the County as a whole, but given the economic growth of the Silicon Valley region in recent years, it is likely the 2000 Census data will report a decrease in the disparity of median household incomes between Los Altos Hills and the rest of the County. However, ABAG predicts the Town and its Sphere's mean income will continue to be the highest in the County until 2020, when they project a mean household income (in constant 1995 dollars) of \$302,400.

Income Groups

The United States Department of Housing and Urban Development defines four income groups, as follows:

- *Very Low Income* – Households earning up to 50% of the regional median household income

- *Low Income* – Households earning up to 80% of the regional median household income
- *Moderate Income* – Households earning between 80% and 120% of the regional median household income
- *Above Moderate Income* – Households earning above 120% of the regional median household income

According to ABAG estimates for 2000, based on information developed by the Census Bureau, the Town of Los Altos Hills was made up of approximately 12.6% very low income households, 5.9% low-income households, 8.3% moderate income households, and 63.8% above moderate income households. The current income percentages show increases from 1990 in the number of households considered very low income (3.4% in 1990), low income (0.9% in 1990), and above moderate income (63.8% in 1990), while the number of above moderate income households (85.4% in 1990) has decreased. Considering the determination of income groups is based on the County's median household income, the differences in the Town's income levels between 1990 and 2000 suggest that household incomes in the County have increased relative to household incomes in Los Altos Hills.

Poverty Level

Poverty level, as defined by the Federal government, is adjusted annually and measures not only income levels, but also family size, number of children, and the age of the family householder or unrelated individual. According to the Census Bureau, for 1990, 2.3% of the Town's total population was below the poverty level. Of those considered poor, none were in single parent families, and 78 of them were in married couple families (1.3% of the married couple families). There were 50% more women than men below the poverty level. In applying the 1990 poverty levels to the Town's current population, there would be approximately 181 Town residents below the poverty level.

Households Overpaying for Housing

Due to differing family income levels and sizes, it is difficult to set a specific maximum percentage of income a household should devote to housing. Generally, a household should not contribute more than 35% of its income to housing in order to prevent sacrificing other necessary expenditures. Devoting a sum greater than 35% (depending on family size and income) of a household's income can result in hardship and difficulty in providing other necessary goods and services. For lower-income households (those earning only up to 80% of the regional median household income), State law defines an overpaying household as one which pays more than 25% of its income on housing. This is more sensitive than the Federal standard of 30%.

Because income statistics from the 2000 Census have not yet been made available, the analysis of this section can only provide a plausible estimate of households overpaying for housing by using 1990 Census data. According to the Bureau of the Census, the Town of Los Altos Hills had 2,606 occupied residential units in 1990, of which 151 (5.8%) were occupied by renters and

2,455 (94.2%) were owner occupied. Of the 151 renter households, 65% spent less than 25% of their income on rent, while 11.4% use between 25-34% of their income. There were 6 renter households that didn't pay rent with cash and were not included in the calculation.

Of the 2,455 owner occupied housing units, 64.7% spend less than 25% of their income on housing payments, 10.3% pay between 25-35%, and 24% pay more than 35% of their income on housing. For those with a mortgage, only 56.9% are spending less than 25% of their income on mortgage payments, and 29.5% are paying over 35%.

On the topic of overpaying for housing, it is important to note that the Town of Los Altos Hills has become a very desirable place to live. With limited supply, and excess demand, basic economics dictate availability. Many households freely choose to pay more than the standard allocation of household income for housing just for the opportunity to live in the Town, even with the availability of less costly housing in adjoining suburban communities.

HOUSING STOCK

Age of Housing Stock

It is apparent from 1990 Census data, that Los Altos Hills' housing stock is relatively new, as is the entire County's stock. Approximately 64% of the Town's housing stock was built after 1960 and the median year in which all structures were constructed was 1965. An additional 21% of the Town housing stock was constructed between 1950 and 1960, leaving less than one-sixth of the housing stock constructed prior to 1950.

Incomplete Plumbing

The 2000 Census reported that all residential units in Los Altos Hills have complete plumbing.

Housing Unit Value

The Bureau of the Census defines the value of a housing unit as the respondent's estimate of the current dollar worth of the property if the unit is owner-occupied, or the asking price if the property is vacant (excluding rental units). Within the community of Los Altos Hills, 94% of all housing units were valued at \$500,000 or more in 1990. Estimates of median housing unit value for the County in the year 2000 by the Census Bureau and California Department of Finance were \$472,629 and \$460,000, respectively. The Town's median home prices have historically been much higher than the County median. Data from local real estate offices suggest that homes in the Town have recently sold for as much as three times the County median estimates by the Census and Department of Finance; one local real estate office reported a median price of \$1,600,000 for 149 homes sold in 1999⁶.

⁶ Correspondence from Charlene Geers, Coldwell Banker Northern California, November 16, 2001.

Again, as noted earlier, the housing and land values in the Town owe much to the Town's rural, quiet setting not readily available elsewhere on the San Francisco Peninsula.

LABOR FORCE

Employment Composition

According to the Bureau of the Census, the Town of Los Altos Hills had a labor force of 3,917 people in 1990, 97.8% of whom were employed and 2.2% of whom were not. ABAG's *Projections 2000* estimates there are 4,200 employed residents in the Town and Sphere of Influence in 2000, and that this amount will increase to 4,900 by the year 2020.

The industries which employ a majority of Los Altos Hills' residents are durable goods manufacturing (22.4%), retail trade (5.8%), and educational services (10.6%). The Town is in proximity to Silicon Valley's electronics industries, as well as to six different institutions of higher education, including Stanford University, San Jose State University, and the University of Santa Clara.

Employment Location

According to the 1990 Census, slightly more than 90% of Los Altos Hills' employed labor force commutes outside the Town's corporate boundaries to the work place. Of those who commute, 51% drive 20 minutes or more in each direction. For those employed within the Town's corporate limits most operate at-home businesses, or are employed by at-home businesses, or are employed by the several schools within the Town's corporate boundaries. There are no retail, business, or industrial employment centers located within the Town's corporate limits.

Employment Projections

In their publication *Projections 2000*, ABAG projects the number of employed residents in Los Altos Hills and its Sphere will increase from 4,200 in 2000, to 4,900 in the year 2010. There is some question as to the origin of this projection inasmuch as the Town does not allow any traditional retail, business, or service uses which would normally be the source of new employment growth. One potential generator of employment growth, and a generator for which there are no known reliable statistics or reporting mechanisms, is household domestic workers. Many of the individuals employed as domestic workers are provided housing by their employers either within main residences or within detached guest quarters or residential second units.

HOUSING NEEDS

It is evident from the preceding section of this Element that the Town has little if any localized housing need. The Town does not allow any retail, service, or industrial uses which would generate employment, and in turn, a demand for new housing, so the Town does not by itself generate a demand for housing. Rather, demand for housing is generated beyond the Town's corporate limits, along the San Francisco peninsula and in the East Bay.

Although there is an absence of localized housing need, the Town is required to participate along with the balance of the region in addressing regional housing needs.

The Association of Bay Area Governments (ABAG) is charged by the Legislature to determine the region's⁷ overall housing needs, particularly for households of moderate income and below, and to allocate to each county, city, and town a "fair share" of that regional need. For the Town of Los Altos Hills, ABAG determined there to be a need for 83 additional residential units in the Town and Sphere to meet the Town's share of the regional need⁸ for the period of 2001-2006.

In making its projections, ABAG refined the estimated need into the four household income categories discussed earlier in this Element, as follows:

Table 3 Housing Fair Share Allocation by Income 1999-2006	
Income Category	Regional Fair Share
Very Low Income	10
Low Income	5
Moderate Income	15
Above Moderate Income	53
Total	83

The California Government Code requires the Town to develop a Housing Element which establishes goals, policies, programs, and quantifiable objectives designed to ensure that the regional fair share is met.

⁷ The Association of Bay Area Governments includes the Counties of Sonoma, Marin, Napa, Solano, Contra Costa, Alameda, San Mateo, and Santa Clara, and the City and County of San Francisco

⁸ Source: *Housing Needs Determinations*, January 1999, Association of Bay Area Governments.

SATISFACTION OF REGIONAL FAIR SHARE

Review of Town records indicates that from 1998 through 2002 there were 137 applications for new single family detached residential units reviewed and approved (See Appendix F). It is reasonable to presume that all of the new units constructed were within a price range affordable only to households classified as being “above moderate income.”

In 1989, the Town removed prior restrictions on the construction and occupancy of residential second units, thereby making them part of the Town’s available rental housing stock⁹. Prior to that action residential second units could not be rented and could only be occupied by relatives of or by individuals retained by property owners for on-site custodial and housekeeping activities. That action alone increased the number of residential units available for rent by more than 400¹⁰, based on a conservative use of information derived from the Town’s 2002 Residential Second Unit Survey, an update of the 1994 Second Unit Survey. This Survey was conducted to identify both the number of then existing residential second units and to monitor the success of the secondary unit program in the production of affordable, rental housing, as well as community interest in the development of additional residential second units.

Subsequent to the lifting of the restriction, a determination was made that because of the small size of residential second units, which is a maximum of 1,000 square feet, they represent a stock of units potentially affordable to households of moderate income and below. The determination of affordability for the residential second units, a term most often applied to housing that is considered affordable to households with incomes considered no greater than “moderate,” was made based on information available from the Town’s 2002 Residential Second Unit Survey.

That Survey was delivered to each of the Town’s 3,060 households, 1,245 of which returned it, representing a 41% return rate. One of the questions posed in the survey addressed the amount of rent charged for residential second units. Four rental ranges were provided from which to choose, with the ranges selected because they closely matched the level of rent considered at the time of the survey affordable to households of very low, low, moderate, and above moderate incomes. The raw data from that Survey question is presented in Table 4 on the following page:

⁹ Residential second units cannot be sold and owned separately from the primary residential unit.

¹⁰ The Town conducted a residential second unit survey in 2002 to identify both the number of then existing residential second units and to evaluate community interest in the development of additional residential second units. **This was an update of the residential second unit survey conducted in 1994 for the 1998 Housing Element.** Of the nearly 41% of the surveys returned, 205 of the respondents indicated that they had at least one residential second unit, with the definition of a residential second unit based on the California Government Code’s definitions. It is reasonable to expect that based on the overwhelming response to the survey that there were at the time more than 400 residential second units throughout the Town.

Table 4 Rent Ranges for Residential Second Units		
Rental Range	# of Units	Percentage
Rent <\$625	62	51%
Rent = \$625 - \$875	14	12%
Rent = 876 - \$995	12	10%
Rent > \$995	32	27%

It should be noted approximately 40% of all respondents did not provide information on rent charges. Further, some respondents indicated that at the time of the survey no rent was charged for occupancy of a residential second unit. It should also be noted that, based on 2002 income limits set by the State Department of Finance, the response on rental ranges indicates that approximately 51% of the Town's second units would be affordable to "very low" income households (up to \$625 per month), 12% to "low" income households (up to \$875 per month), 10% to "moderate" income households (up to \$995 per month) and the remaining 27% to "above-moderate" income households (in excess of \$995 per month).

The survey further indicates that over 200 existing residential second units, and perhaps as many as 400 units (as the 205 responses represented only a 41% response rate), were legalized by the Town's second unit ordinance adopted in 1988.

Town records of building permits issued from 1999 – 2002 show that an additional 27 residential second units have been constructed (See Appendix F). The number of new second units accounts for 21% of all new residential units constructed during this period. Based on percentages derived from the 2002 second unit survey, Table 4 distributes the new second units constructed between 1998 and 2002 by income category.

Table 5 Distribution of Residential Second Units by Income Category 1998 - 2002	
Income Category	# of Units
Very Low Income	13
Low Income	4
Moderate Income	3
Above Moderate	7
Total	27

Add to the preceding, the 137 new primary single family detached residential units constructed between 1998 and the end of 2002 and the following results:

Table 6 Distribution of All Residential Units by Income Category 1998 - 2002	
Income Category	# of Units
Very Low Income	17
Low Income	4
Moderate Income	3
Above Moderate Income	146
Total	170

While not meeting the ABAG fair share obligations of the 1998 Housing Element, the Town did make substantial progress in meeting its obligations during 1988-1995 with the construction of 38 second units and 180 detached single family residences. This equates to a yearly average of 5 second units and 25 single family residences being constructed during this seven year period. ABAG has significantly adjusted the Town's regional share of housing needs for the 1999 – 2006 cycle to more accurately reflect that Los Altos Hills is a non-employment generator in the region. Town records on building permits show that during the four-year period between 1999 and 2002, a total of 27 second units and 137 single family residences were constructed, resulting in a yearly average of 6 second units and 27 single family residences built during this period. Given the fact that the rate of construction for second units and single family residences during 1999 – 2002 (a four year period) has exceeded the 1988-1995 rate (a seven year period), it is reasonable to assume that the Town will be able to meet its regional fair share obligations during the 1999 – 2006 cycle through its second unit housing program alone. However, the Town has expanded its Programs to include other measures that will assist in the development of housing to meet affordable regional housing needs as established by ABAG as well as provide a greater variety of housing opportunities in Los Altos Hills.

POPULATION GROUPS WITH SPECIAL NEEDS

In addition to being responsible for meeting the regional fair share, the Town is also bound by the Government Code's provisions to identify and meet any additional special housing needs not typically satisfied by traditional housing, such as those for the elderly, large families, female-headed households, disabled persons, students, and persons in need of emergency shelter.

Elderly Persons

Statistics cited earlier in this Element indicate that the average age of Los Altos Hills' residents was greater than the County average, and that it will likely continue to increase over the next several years. The trend in Los Altos Hills is not unlike the national trend in that the average age of the population is increasing.

According to the 2000 Census, there were 1,342 elderly residents (65 years of age and older) in the Town of Los Altos Hills, representing 17% of the total population. In addition, there were 537 residents between the ages of 60 and 64, and 753 residents between the ages of 55 and 59. The 2000 Census reports that the Town had 862 households with one or more elderly residents. Of these households 727 consisted of households with 2 or more persons, while 135 consisted of 1 person elderly households. This suggests that a majority of the Town's elderly are likely being cared for by family members or assisted by others in the same household. For elderly residents living alone, obtaining needs such as the provision of meals (due to mobility issues), transportation, and other typical senior services becomes a considerable challenge. These needs are now satisfied through a variety of programs operated and funded by the Town, Santa Clara County, and various social service agencies. With the Town's older population there is a probability that there are a considerable number of single family detached residential units which are under-utilized due to the fact that they were constructed to accommodate large families and now provide living space for one or two people.

The California Health and Safety Code Section 1568.031 provides that a residential care facility (defined as a facility serving six or fewer persons) is a residential use and must be permitted wherever residential uses are allowed. Similarly, California Government Code Section 65583(c) (1) also requires provisions for transitional housing. The proportion of elderly is expected to grow, and housing for the elderly will be a continuing concern in Santa Clara County. Although many elderly can continue to live in their own homes, particularly if structural modifications are made to help them cope with the disabilities that accompany aging, there will nevertheless be an increasing demand for specialized care facilities. The Housing Element includes programs that will allow development of such transitional housing and other opportunities for some long-term Los Altos Hills residents who can no longer remain in their homes to continue living in Los Altos Hills.

In 1996, the Town contributed \$30,000 in CDBG funds to support Project Match's acquisition and rehabilitation of a home located in Sunnyvale for 5-6 seniors. Between 1998 and 2001, the

Town contributed \$30,994 to the Los Altos Senior Center and approximately \$60,000 to the Community Services Agency for the provision of such services as emergency assistance, nutrition and hot meal programs, information and referral, and senior care management.

Large Families

In 2000, 11.6% (319) of all families residing in Los Altos Hills contained five or more family members. A large portion of the housing stock in Los Altos Hills is large and spacious, providing ample living space for the larger than average family. In fact, 1990 Census Data reported that homes in Los Altos Hills had a median of 8 rooms for all housing units, higher than the County median of 5 rooms per housing unit. Town records indicate that the construction of new residences have maintained this trend, resulting in the addition of large homes to the Town's housing stock. There is no information available to suggest that large families have a special housing need in the Town.

Disabled Persons

According to the 1990 Census there were 131 persons over 16 years of age with a mobility limitation (2.1%). There were 290 persons over the age of 16 with a work disability (4.7%). Of the 290 persons with a work disability, 162 were restricted from working. A public transportation disability is defined as a health condition which makes it difficult or impossible to use buses, trains, subways, or other forms of public transportation. Due to limited mobility, housing that does not create barriers to living is needed for the physically handicapped. Because there are no multi-family housing developments allowed within the Town, issues associated with providing access for the physically challenged is not addressed on a daily basis. The Town has noticed over the past several years an increase in requests by individual households to include design features, both interior and exterior, to allow for access for the physically challenged. The requests have typically been honored. The Housing Element includes a program that requires review of the Zoning Ordinance to identify provisions that might pose constraints to the development of housing for persons with disabilities and to, where applicable, establish and/or review procedures that will continue to provide adequate flexibility in the development and retrofitting of housing for persons with disabilities..

In 1996 the Town contributed \$75,000 of CDBG funds to the Mid-Peninsula Housing Coalition to construct Page Mill Court in Palo Alto, a 24 unit apartment complex serving developmentally disabled adults.

Students

The Town of Los Altos Hills is surrounded by a number of colleges and universities, including Stanford University, University of Santa Clara, Foothill College, DeAnza College, and Menlo College. In 1990, there were 642 persons residing in Los Altos Hills enrolled in college. Slightly more than 100 of them are enrolled in a 4-year college and are therefore likely to be full-time students. Full-time students are often categorized as temporary low-income persons. Thus, adequate low-cost rental housing is a major need demanded by this special needs population, a demand which is often satisfied through the renting of rooms in many of the Town's private residences. This also serves a secondary benefit in that many of the opportunities available to college students are with older members of the community, and the addition of a college aged student to a household provides opportunities for providing services to the older residents.

Emergency Shelter

Temporary emergency shelter has become a significant housing issue across the nation. Typically it includes shelter for individuals and households in need due to financial hardship, family difficulties, a natural disaster, or temporary unemployment. The number of homeless persons is increasing statewide, and this problem not only affects those individuals without shelter, but also, the welfare of the entire community. There are many such agencies attempting to address this concern, several of which are outlined in a later section of this Element.

While there are homeless individuals and families throughout Santa Clara County, there are no known homeless individuals or families residing in the Town. Over the years the Town has allocated \$200,000 of funding received through participation with Santa Clara County in the Housing and Community Development Block Grant Program to the Community Services Agency of Mountain View's Project Match, to provide transitional housing in proximity to Los Altos Hills. Also, St. Nicholas School, a Catholic school located within the Town, is one of a number of churches in the region which provides shelter for the homeless. Each month a church in one of several communities, including St. Nicholas Church, which operates the School, opens its doors and provides shelter for the homeless for a one-month period. This approach provides recognition that the needs of the homeless transcend jurisdictional boundaries.

CONSTRAINTS TO AND OPPORTUNITIES FOR HOUSING DEVELOPMENT

Development within the Town of Los Altos Hills faces a number of constraints, some naturally occurring, others man-made. This section of the Element addresses each of these types of constraint areas. This section of the Element also addresses opportunities to promote and encourage the development of housing.

CONSTRAINTS TO HOUSING

Development constraints can be divided among four main categories:

- environmental
- economic
- governmental
- infrastructure

As outlined in the following pages, the primary constraint to development in the Town of Los Altos Hills is the natural physical environment, accommodation of which is costly due to additional construction requirements, and is frequently undesirable due to overriding need for environmental protection. Economics of land value, which is high within the Town, cannot be mitigated by governmental intervention short of providing significant subsidies, the funding for which is not available. Land costs in the Town are high because of the highly desirable features afforded by the Town's environment. The Town's development processes are similar and in some ways less encumbering than the development processes of adjoining communities, and do not represent a significant constraint to development. Finally, infrastructure requirements, again consistent with adjoining communities, do represent a constraint to development, a constraint which can sometimes be satisfied and mitigated with additional improvements.

Environmental Constraints

The importance of environmental constraints in housing production is especially evident in a community with prominent topographical features such as those found in the Town of Los Altos Hills. Topographic characteristics in Los Altos Hills inhibit housing production in some areas due to unsafe or difficult development conditions, including flooding, seismic motion, steep slopes, and soil instability. The Town's topography also affects the affordability of homes due to added costs created by different and more costly construction techniques required to address the setting such as additional engineering, grading, soil stabilization, non-traditional foundation systems, and site access. Several of the naturally occurring environmental constraints can suitably be mitigated, the end cost of which is significant and is passed on in the form of higher housing prices. As the Town has developed over the years, the lands left undeveloped have typically been those which present the greatest constraints and costs to development due largely to naturally occurring environmental constraints.

Slope and Soil

The Town of Los Altos Hills is characterized as having generally sloping terrain with frequently unstable and/or expansive soils beneath surface deposits. These two characteristics require that either the conditions be avoided, leaving tracts of land undevelopable, or alternatively, that engineering design be carefully reviewed to ensure that landslides and other slope/soil stability hazards are suitably mitigated. The necessity for additional engineering and construction provisions, as well as for greater scrutiny in design and construction oversight, adds to the cost of development, a cost which is ultimately passed on to the home buyer. As noted, much of the remaining undeveloped lands within the Town are those with the steepest slopes and the least desirable soils, making their development among the costliest in the Town.

Seismic Motion

The Town of Los Altos Hills is traversed by three major fault lines, including the Berrocal Fault, which runs from the western Town border to the southeastern tip of the Town boundaries; the Altamont Fault, which runs parallel to the Berrocal Fault to the north; and the Monte Vista Fault, which meanders from the northwest quadrant to the southeast quadrant of the Town. Although all of these fault lines are categorized by the State as potentially active, the history of seismic activity in the area does not include any significant movement along these faults.

In recent times, the closest area where earthquakes have originated is approximately one mile south of Los Altos Hills in Santa Clara County. This area experienced a series of 1.0 – 2.9 magnitude earthquakes (Richter Scale) during the time period from 1969 to 1973.

Additionally, there are two large fault lines within Santa Clara County which are known to be currently active and could endanger the stability of Los Altos Hills' hillsides. Although these two faults, the San Andreas Fault located along the west coast, and the Calaveras Fault, located further inland, do not traverse the Town of Los Altos Hills, it is likely that more earth movement would result within Town limits than within nearby communities due to the Town's steep topography and unstable soils.

In October 1989, the Loma Prieta earthquake, originating in the Santa Cruz mountains, caused significant damage in Los Altos Hills, resulting in the demolition of 7 homes and necessitating substantial repairs to more than 25 residential units. The damage seen from the Loma Prieta earthquake bears out the continued necessity for stringent earthquake safety ordinances in Los Altos Hills, which include restricting the siting of development and high standards of engineering design to ensure adequate safety levels in the event of strong earth movement.

While the effects of a significant seismic event would be widespread, the effects would be most intense on lands with steeper slopes and weak soils, which represents much of the remaining undeveloped land within the Town and its Sphere of Influence.

Flood Zones

Although no major rivers traverse the Town of Los Altos Hills, a number of creeks, especially Adobe Creek, and the hilly terrain create flooding possibilities in numerous areas. The General Plan Geotechnical Hazards Map delineates all valley bottom terrain as being prone to 100-year storm flood inundation. Residential construction along creeks and within delineated flood zone areas is restricted by federal and local regulations to minimize erosion, maintain the natural creek characteristics, and to ensure safe housing conditions. The valley bottoms present some of the more level areas of land, and would otherwise be some of the least expensive lands to develop due to the absence of extreme slope conditions. However, because of the flood hazard conditions on many of the valley floors, the cost of construction is higher due to the need to account for drainage and flood control, a cost which is passed on to the home buyer, as well as the requirement that the home buyer acquire Federal flood insurance, at a substantial additional cost. Areas most subject to flooding have often been left undeveloped due in part to the costs associated with mitigating the potential hazards.

Wildland Fire

The issue of wildland fire is a continuing issue in the development of Los Altos Hills' lands. Fueled by dense vegetation and extreme slopes a wildland fire in 1985 destroyed thirteen single family residential units. The issue of wildland fire was emphasized in the 1991 Oakland Hills Fire of 1991, where more than 3,000 residential units were damaged or destroyed in a setting similar to that of the Town's. Steep terrain and extensive vegetation combine to create a setting which must be carefully evaluated and mitigated in the approval of new residential development. The Town often requires mitigation of the potential exposure of residential units to areas of relatively high fire danger, which tends to further increase the cost of residential development. Also, narrow roads, necessitated by the extensive steep terrain as a means of avoiding severe grading and leveling of the natural terrain, make access to the hillsides difficult.

Economic Constraints

Economic factors, in addition to governmental and environmental factors, can significantly affect the availability and cost of housing. A major difference between economic and governmental influences is that a jurisdiction has little or no control over the economic factors which affect the housing market, and these market factors can often offset a jurisdiction's attempts to make housing construction desirable and feasible. The three economic factors which contribute most to the constraint of housing development are:

- land costs;
- construction costs; and
- financing costs.

Land Costs

The typically quoted cost for an acre of undeveloped land which has a reasonable potential for development within the Town of Los Altos Hills ranges from \$1.1 million to \$2.3 million dollars depending on its proximity to the freeway. While a minor portion of land cost can be attributed to the Town's minimum lot size requirements, a majority is attributable to the physical environment afforded within the Town, including such features as the hillside terrain, dense vegetation, other natural and man-made amenities, and the unique rural residential community. Other cities and towns along the San Francisco peninsula which have high appeal in terms of places to live have similar high land values due to limited supply and high demand.

Construction Costs

According to the *2001 Building Standards* published by the International Conference of Building Officials, the average cost of construction for a wood framed single family home was approximately \$102.38 per square foot in the San Francisco Bay Area. Due to the need to accommodate steeply sloping properties, geotechnical constraints, and the provision of utilities and sewage systems, the cost of construction in Los Altos Hills was considerably higher. Because developers and contractors must compensate for these constraints and additional costs for such items as grading, retaining walls and ensuring soil stability, construction costs at times reach well beyond the *2001 Building Standards* estimate. Except for localized environmental conditions or access issues which require additional costs, construction costs within the Town are no different than in adjacent communities.

Financing Costs

Interest rates significantly affect the cost of a home, yet constantly fluctuate so that it is difficult to determine exactly how much of a burden they pose to home buyers. There is no evidence to suggest that the availability of loans for potential Los Altos Hills home buyers is less than in other regions of the Bay Area. Nor is there evidence to suggest that financing costs are any higher for Los Altos Hills than elsewhere in the regional area. Thus, although financing costs add a significant cost to home purchase, this additional cost is no different in the Town of Los Altos Hills than outside of it.

Governmental Constraints

Although governmental housing regulations are created for the purpose of ensuring an acceptable quality of housing development, these regulations can sometimes negatively affect housing availability. For example, development fees associated with securing the necessary approvals and permits are usually passed on to the home buyer, meaning that housing costs are increased. The challenge is to achieve a balance between the goal of maintaining safe, quality housing and the goal of providing affordable housing. This section examines governmental regulations which can act as constraints to development and provides a discussion of possible mitigation or removal

of these constraints, and concludes that the Town's institutional regulations and processes are not a significant constraint to the development of housing in light of the Town's physical environment and community objectives to establish and maintain a rural-oriented residential community.

Governmental factors which most affect the development of housing in the Town of Los Altos Hills are:

- Land use controls;
- Development review and processing time frames; and
- Development and permit fees.

Within the Town of Los Altos Hills the costs associated with the governmental process, both dollar and time costs are similar to those imposed by similar communities in the area and in some instances, are less. As a whole, the Town's processes and costs for development approval are reasonable, and are not considered an impediment or constraint to development.

Land Use Controls

Land use controls have been established to guide growth of the Town in an orderly manner and to preserve the health and safety of Town residents and improvements, as well as to protect the open and rural residential character of the community. Land uses are regulated through the creation of two land use zones. These zones establish Los Altos hills as a transition area between the urbanized mid-peninsula and the open coastal mountain range.

The two designated land use zones are as follows:

- *Residential-Agricultural District (R-A)* – The primary uses allowed are primary dwellings and agriculture, with a minimum lot size of one acre. Larger lot minimums may be imposed if it is determined that the slope of the land or other environmental constraints to development dictate a larger lot to ensure environmental protection, avoidance of naturally occurring or man-made hazards, and implementation of the Town's General Plan. Accessory uses, including home occupations and child daycare homes, private stables, pools, tennis courts, greenhouses, workshops, antennas and dish antennas, secondary dwelling units, and temporary trailer coaches are also permitted in the R-A zone. Additionally, conditional uses are acceptable provided the project meets the Town's regulations and the Council's approval. Conditional uses include: public libraries, churches, recreation facilities, temporary house trailers, day nurseries and kindergartens, public and private schools, public utility and services uses, fire and police stations, Town facilities, and commercial stables.
- *Open Space Reserve District (OSR)* – The primary uses allowed in the OSR zone are agricultural uses (including horticulture and grazing), forest preserves, and other open space

uses. Accessory uses and structures other than buildings necessary to conduct a primary use are not permitted.

Residential Design Standards

To maintain its rural character, the Town of Los Altos Hills has created a set of site design standards to be followed by all developers. As stated in the Town's Municipal Code, "All lots or parcels shall be designed so as to take maximum advantage of, while still preserving, the basic natural characteristics of the land."

- *Driveways* – A minimum 14-foot driveway width is required, with excessive widths prohibited as a means of minimizing impacts associated with land form modification. Where driveways are exceptionally long, the width, grade, and construction are also regulated by the Los Altos Fire Protection District to ensure adequate access for fire protection services.
- *Off-Street Parking* – Off-street parking for four vehicles is required for all single family detached residential units. Residential second units are required to provide one space reserved for the second unit only. Off-street parking within the Town of Los Altos Hills is necessary due to the narrow, winding roadway system and the need to maintain the roadway system free of obstructions for normal and emergency vehicular traffic. The requirement for four off-street parking spaces stems in part from the lack of any public transportation serving the residential areas of the Town.¹¹
- *Road Design Standards* – The minimum right-of-way width for most new public and private roads serving more than 4 lots or single family detached residential units, except fire or emergency roads, is 60 feet. Fire or emergency roads widths are variable. Grades in excess of 15% are generally not permitted.
- *Sanitary Sewer Improvements* – Every lot must be provided with adequate sanitary sewer disposal, provided either through connection to a public sanitary sewer system or an individual septic system. A considerable portion of undeveloped lands within the Town's corporate limits as well as those undeveloped lands in the Town's Sphere are beyond the easy reach of existing public sanitary sewer lines. Connection to public sanitary sewer systems is required if it is within relatively easy 'reach' of new lots and developments. Where existing systems are not within easy reach of new development the use of individual septic systems is allowed, and in so doing, minimizes one of the elements of cost associated with new housing development, although it should also be noted that the

¹¹ The requirement for the provision of four off-street parking spaces for all single family detached residential units and one additional off-street parking space for residential second units does not appear to be a deterrent to the development of either type of residential unit.

use of individual septic systems does represent a limitation on the development of lands not served by public sewer systems.

- *Storm Drainage Improvements* – Drainage systems must be designed to minimize the effects of erosion, siltation, and flooding on immediate or distant downstream neighbors and public facilities.
- *Underground Utility Improvements* – All new and existing public utility systems and service facilities must be installed underground when properties are proposed for subdivision. Beside the obvious aesthetic benefit of underground utilities, the added benefit is protection of vital services delivered via these utilities such as electricity, telephone, and cable television. In the Oakland Hills Firestorm of 1991, overhead lines were severed during the fire making communication difficult if not impossible, and cutting electrical power to pumps and other services vital to fire protection efforts.
- *Water Improvements* – The developer must provide a complete water system and furnish evidence showing the availability of the public water system to serve the project, as well as adequate water supply for fire protection.
- *Path and Trail Easements* – As depicted on the General Plan circulation map, the Master Path Plan Map and in the Path and Trail Element, easements or in lieu fees must be provided for adequate trails when designated parcels are developed. Improvements are also usually required. The paths serve as the pedestrian circulation system which links most areas of the Town.
- *Height of Structures* – No structure may exceed 27 feet in building height from natural grade or an overall height of 35 feet as measured from the lowest point visible to the highest point of the structure.
- *Maximum Development Area*–. The maximum development area (MDA) of a lot is that portion of a lot which may be developed with buildings and pavement, and which requires that the balance of the lot area be retained in an undeveloped or landscaped state. The MDA is based upon a relationship between the average slope of the lot and the lot's net area. Within the context of MDA, development includes the primary and secondary residential units and other buildings (floor area), parking areas, patios, decks, walkways, swimming pools, tennis courts, etc. MDA is typically 15,000 square feet on a relatively flat, one-acre lot.
- *Maximum Floor Area* - The maximum floor area (MFA) is the maximum amount of floor area (building area, including each floor of a structure, plus garages and other accessory structures) which may be developed on a lot. The MFA is based upon a relationship between the average slope of the lot and the lot's net area. MFA is typically 6,000 square feet on a relatively flat, one-acre lot.

- *Setback Lines* – All structures must be set back at least 40 feet from the nearest public or private street property line for front yard setbacks, and 30 feet from property lines for the side and rear yard setbacks.
- *Landscaping* – A landscape plan providing at least the minimal amount of landscaping necessary to mitigate off-site visual impacts is required for almost all projects.
- *Residential Second Units* – Residential second units are permitted on all lots with at least one acre of land, subject to compliance with all of the other site standards discussed above. Such units are limited to a maximum of 1,000 square feet in size, must be compatible with the main residence and site, and require an additional parking space.

Development standards established in the R-A Zoning District for such aspects as building setbacks, parking, building height, and floor area ratio are, generally no more restrictive than in other communities, particularly those with similar environmental settings. Where there may be some variance with other communities along the San Francisco peninsula is the Town's minimum lot size of one acre. As has been noted earlier in this Element, the necessity of a one acre minimum lot size evolves from several factors, including the community's commitment to preserving a rural residential setting and the need to allow siting flexibility to avoid to the extent possible naturally occurring environmental hazards.

Development Review and Processing Time Frames

The typical sequence of development in the Town of Los Altos Hills is to first subdivide acreage through the Subdivision process, to then obtain Site Development Permits for each lot, and then to obtain a building permit for each residential unit to be constructed.

If subdivision of large acreage is proposed, the typical processing time for a subdivision map ranges between 6 months and one year, with the variation stemming from requirements of the California Environmental Quality Act (CEQA) and whether or not a Negative Declaration or Environmental Impact Report is prepared to satisfy the requirements of CEQA. These time frames for the processing of subdivision maps are typical for both communities along the San Francisco peninsula and throughout much of the State, and therefore, are not considered an additional constraint in the Town.

Site Development Permits are required for the development of new single family detached residential units, whether a lot has been newly created via a recent subdivision process or if the lot has been in existence for some time. The basic purpose of the Site Development Permit process is to ensure that a proposed new single family detached residential unit satisfies all of the Town's established development standards (height, setbacks, floor area ratio, etc.) and that its siting mitigates any potentially adverse impacts including such considerations as visual prominence, removal of vegetation, and excessive land form modification. It should be noted that

there is no architectural design review conducted or required in the Town, either in conjunction with the Site Development Permit process or as a separate review process. The typical processing time for a Site Development Permit is two to six months, a time frame not considered to be an impediment to residential development, and a time frame certainly at parity with other communities. Site Development Permits for new residences are acted upon by the Planning Commission after recommendations by Town staff.

Site Development Permit approval is also required for the development of residential second units. The Town recently amended the Site Development Ordinance to allow Site Development Permits for residential second units up to 750 square feet in size to be reviewed and acted upon by the Planning Director, acting in a Zoning Administrator capacity. The net effect of the Ordinance change is to reduce processing times and costs for a residential second unit compared with other Permits which must, by virtue of Ordinance requirements, be reviewed and acted upon by the Planning Commission. Developers of second units may also take advantage of the Town's "fast track" review that further reduce processing times for projects that meet all of the Town's requirements and have no opposition from neighbors. The approximate processing time frame for "fast track" review is 30 to 45 days. A public hearing may be required before the Planning Commission when a second unit project does not meet all applicable Town requirements.

Building permits, and associated mechanical, electrical, and plumbing permits, are issued prior to the start of construction. The basic purpose of the permits is to ensure that construction activities satisfy all requirements of the Uniform Building Code and its associated specialty codes. The Town's typical time frame for the processing of a building permit for an accessory structure such as a second unit is one and one-half to two weeks, and again, is not considered excessive or constraining.

Development and Permit Fees

Development fees in the Town of Los Altos Hills are charged for both planning activities and for building permits. Planning fees are charged for the purpose of recovering all costs associated with administration of the Town's regulations pertaining to land use. Planning fees are currently comprised of a non-refundable fee and a deposit, against which professional planning and engineering staff charge to provide review services at the rate of \$75.00 per hour. This fee structure reflects the Town's actual cost staff time. The Town reviews its fee structure and levels on a regular basis to ensure they reflect the cost of delivering services. Attachment F lists the current fees required for a typical single family residential home.

Likewise, building permit fees are charged to cover costs associated with checking that building plans conform to requirements of the Uniform Building Code as well as costs associated with conducting building construction inspections. The fees charged for building permits are based on the valuation of construction. The City Council directed a review of the rates charged for the issuance of Building Permits with the possibility of reducing the current fees required. The net effect of a reduction will be a lessening of the costs associated with obtaining entitlement and

development permits, which may have a measurable effect on the overall cost of housing. The new fee schedule was adopted in Winter 2003. The Housing Element includes a program that provides for regular review of fees to ensure that the cost of development review is not excessive while covering the cost of delivery of services.

The Town and special districts also impose new development fees for the construction and/or connection of new infrastructure systems to existing systems. This includes water, sewer, and drainage fees and connection charges to address issues associated with increased system capacity demands and impacts. The Town also collects a \$1,050 housing fee imposed on the issuance of each building permit for a new residence or residential second unit, initiated in 1978, but also currently under review as part of the analysis of building permit fees.

While not imposed by the Town, local school districts charge a fee which is linked to the size of new construction and must be paid prior to issuance of building permits. The purpose of the fee is to compensate serving school districts for the costs associated with the demand for additional services and classroom space generated by new residential development. The three districts which collect fees in the Town are the Los Altos Elementary School District, which levies a fee of \$1.15 per square foot for residential construction, the Mountain View-Los Altos High School District, which levies a fee of \$0.48 per square foot for residential construction within the Town, and the Palo Alto Unified School District, levies a fee of \$1.84 per square foot for residential construction within the Town.

As noted, the Town completed the evaluation of the fee schedules associated with the entitlement and development process and where possible, lowered fees while not compromising service levels or public health, safety, and welfare.

Infrastructure Constraints

When analyzing infrastructure constraints which may affect future housing development in Los Altos Hills, it is important to note that many remaining vacant properties are vacant because they are constrained by one or more factors. Fire protection, roadways, storm drainage, sewer facilities, and geotechnical constraints are the most prevalent constraints. Many vacant properties are located in high fire hazard areas, have inadequate access, lack sewer facilities and/or cannot accommodate septic systems, or have storm drainage problems which must be corrected prior to development.

Mitigation to overcome these constraints, most to be implemented on an individual basis, will become more necessary as the Town moves closer to build out. The following analysis is provided to outline the effect of continued housing development on service facilities serving the Town. Police protection, water supply, school facilities, public transportation, and services are discussed in addition to the services mentioned above.

Circulation System

The existing circulation system is designed primarily for low volume rural residential use. Roads are rural in design with narrow widths averaging 18 to 24 feet without curbs and gutters. Some roads are gravel, or dirt, with limited paved surface. The overall road system conforms to the natural topography, which would be devastated if a more traditional, suburban style roadway system were constructed.

Aside from occasional cases where a parcel planned for development abuts a roadway requiring improvements, minimal routine maintenance is provided by the Town. Typically, when development abuts a roadway requiring improvements, the developer is required to improve the roadway to Town standards.

Available data on traffic volume and patterns indicates that traffic volumes are the heaviest along Arastradero Road, Page Mill Road, Fremont Avenue, and El Monte Road, which are the roadways carrying traffic through the Town from origins and to destinations outside the Town's corporate limits. No roadways exceed their maximum capacity, and, assuming residential densities and development continue at the current rate, it appears existing roadways can accommodate remaining build out, if necessary mitigation is implemented on an individual basis. If higher densities of development are allowed, the circulation system would be significantly affected and constraints on further housing development would be increased.

Storm Drainage

The storm drainage system of Los Altos Hills is designed to the greatest extent possible to maintain natural water drainage patterns. Public roads usually have no curbs or gutters and there are no major public storm water detention facilities. Improvements consist primarily of street culverts which pass under driveways. Drainage and erosion problems have sometimes occurred from past development which was not subject to the level of engineering review and standards required today. The Town has recently begun a study of storm drainage problems and the improvements which will be necessary to control these problems. As mentioned previously, storm drainage is a constraint to development in that many remaining vacant properties have storm drainage problems which will require correction prior to development. These necessary storm drainage improvements may also create an increase in housing costs since they may dictate the design of the development on the site and limit it to some degree. The current infrastructure of the Town has limited resources to maintain current and improve needed drainage facilities in the Town, even with the fees charged in association with the issuance of building permits for new residential units. Allowance of higher density in the Town would intensify the problems already experienced in the Town with drainage facilities.

Wastewater Treatment

The Town's wastewater treatment needs are served by individual septic systems and by sanitary sewer service. Approximately one-third of the Town utilizes septic systems, one-third is served through contract with the Palo Alto sanitary sewer system, and one third through contract with the Los Altos sanitary sewer system. The Palo Alto sanitary sewer basin has adequate capacity to accommodate new connections in the Town. However, sanitary sewer lines do not presently extend to all areas of the community. Parcels more than 400 feet from existing sanitary sewer lines have the option of installing individual septic systems, which is often less expensive than the cost of extending sanitary sewer lines. However, some parcels located more than 400 feet from existing sanitary sewer lines are precluded or severely constrained in terms of the use of individual septic systems due to other site constraints, including extreme slope and soils not suited for septic system leach fields. The Los Altos sanitary sewer is almost at contractual capacity. This is considered a significant constraint to development in the southern one third of the Town. A joint sewer study by Los Altos and Los Altos Hills is expected to be completed in 2003 to determine under what conditions additional capacity may be granted.

Fire Protection

Los Altos Hills is protected by the Santa Clara County Fire Department. The City of Palo Alto provides backup protection when needed. Most of the Town represents a high fire risk and there are many concerns associated with providing adequate fire protection. Most areas of the community are designated as high fire hazard areas due to the amount of natural vegetation, limited access, and steep terrain. These factors combine to impact the costs of housing development through the necessity to incorporate design features and construction techniques and materials which help mitigate the high fire hazard.

Police Protection

The Town of Los Altos Hills is not categorized as a high crime area. The Town's police services are provided under contract by the Santa Clara County Sheriff's Department.

Water Supply

Water is supplied to the residents of Los Altos Hills by two districts - the Purissima Hills Water District, which serves the major portion of the area, and the California Water Service Company. Projected housing development in Los Altos Hills is not anticipated to burden water services.

Presently, the Purissima Hills Water District purchases most of its water from the San Francisco Water District. Drought conditions during the past few years have not precluded the District from meeting demand. Additionally, the District has begun looking into the use of wells to increase its independent sources of water.

The California Water Service Company, which serves the remainder of Los Altos Hills, had a peak use of 24,000,337 gallons per day (1984 summer figure), which was far below the maximum capacity. An exact maximum capacity figure was not available because additional water can be obtained from the Santa Clara Valley Water District. Additionally, 40 existing wells which are not typically used on a daily basis could be used in the future or in an emergency.

Overall, the supply of water does not appear to pose a housing development constraint at this time or within the next five years.

School Districts

Los Altos Hills is located within portions of three school districts, the Los Altos Elementary School District, the Palo Alto Unified School District, and the Mountain View-Los Altos Union High School District. Enrollment in these districts, particularly at the elementary school level, has been increasing slowly over the past few years and is projected to continue to do so. Reports from the districts indicate that there is concern about potential over-crowding in the future if development continues to occur in the areas served by the districts.

Public Transportation

Public transportation service to Foothill College and downtown Los Altos is provided by the Santa Clara Valley Transportation Authority. The District's service to the Town is limited, and it is estimated that fewer than 125 of the more than 2,650 properties in Town are within $\frac{1}{2}$ mile of public transportation. Transportation for seniors and disabled persons unable to utilize conventional public transportation is provided by the District's paratransit service.

Commercial Services

While not infrastructure in the typical sense, there exists in the Town a lack of any commercial services typically associated with suburban communities, such as retail shopping and financial, business, and medical services. As has been outlined earlier in this Element, the Town does not allow the development of these services inasmuch as they would be duplicative of services available in adjoining suburban communities, and within close proximity by automobile.

OPPORTUNITIES FOR HOUSING

There are opportunities for the Town to add additional residential units to its current stock, even though there are significant constraints to the additional development of housing. Most of the land within the Town's existing corporate limits has been previously subdivided and developed. Remaining properties within the Town tend to be those which are less easily developed due to environmental and infrastructure constraints. However, Los Altos Hills finds itself with greater potential because of its large lots which can accommodate a form of 'infill' housing through the encouragement of residential second units.

Vacant and Underutilized Parcels

The Town's zoning requires that residential lots have a minimum lot size of 1 acre. Given that additional development constraints such as topography, easements, and dedications may further reduce the net parcel area of a proposed subdivision, it is likely that most future subdivisions will occur on parcels with a minimum area of 3 acres. A vacant and underutilized parcel study identified a total of 138 vacant parcels which are at least 3 acres with potential to be subdivided. The results of the study are provided in Table D of Appendix D. An evaluation of known development constraints for each site was provided by the Town's planning staff. Factoring in the site constraints for these parcels, it was estimated that a range of 58-176 additional units each may be added through subdivision of these parcels.

Sites Suitable For Low and Moderate Priced Housing

It is very unlikely that any of the parcels located within the boundaries of the Town and as identified in Appendix D could accommodate primary residences which are available to moderate, low, or very low income families. The high cost of Town lands would require a density of development incompatible with the Town's rural residential density and available infrastructure in the Town (e.g. narrow roads, lack of storm drainage facilities, the probability of continued use of septic rather than sewer systems). The Town does not have any public services or facilities other than the Town government offices and a few schools. Public transportation opportunities are limited as addressed earlier in this Element. The area known as the Spalding /Magdalena Avenue is an established residential neighborhood located in the southern half of Town in the unincorporated lands of Santa Clara County. The area consists of 95 lots including 40 lots that are one quarter of an acre in size or smaller. The properties in this area are connected to the sewer system. When the area is annexed, existing parcels less than 1 acre in size will remain legal non-conforming and will be allowed to redevelop at the same density and under the same development standards. Similarly, secondary units will be allowed in accordance with existing County of Santa Clara standards. This will provide higher density housing in an otherwise very low (estate) density area.

Sites Suitable for Residential Second Units

All vacant and underutilized parcels identified in Appendix D can be developed with a second unit. Given some of the benefits of second units which were discussed in this Element, it is very likely the Town will continue to receive more applications for the development of second units. Additionally, the Town's sphere of influence offer opportunities for development of second units

Annexation of Sites Suitable for development

In 2002 the Town rezoned a total of 286 acres of land known as San Antonio Hills that includes primarily one-acre lots. It is anticipated that most of these lands will be annexed to the Town of Los Altos Hills though not all within the timeframe of the 2001 Housing Element. In late 2002,

the 58 acres of Ravensbury Area within San Antonio Hills was annexed by the Town. This will add to the supply of available housing units in the Town of Los Altos Hills. Additionally, all lots of one or more acres in size can potentially accommodate a secondary unit thus increasing the supply of affordable rental units.

Sites Suitable For Factory-Built Housing and Mobile Homes

All vacant parcels identified on Appendix D are available for rental, factory-built or pre-fabricated housing. It is probable that non-governmental constraints, such as property costs, will continue to preclude this type of housing development in Los Altos Hills in the future, even on lots that currently exist below the required 1-acre minimum.

Sites Suitable for Employee Housing

Certain institutional uses (i.e. Fremont Hills Country Club, Packard Foundation, Westwind Barn) offer opportunities for the development of housing for employees. Through an amendment of the Zoning Ordinance, institutional uses will be able to create opportunities for a small number of employees, of these institutions to live on-site. This will help in the creation of affordable housing opportunities in Los Altos while helping in the reduction of commute traffic and contributing to the Town's jobs/housing balance efforts.

Emergency Shelter

Organizations which provide emergency shelter are located in nearby communities. These organizations, the cities in which they are located, and a brief description of the services they offer are listed below.

- Community Services Agency of Mountain View/Los Altos (Los Altos)

Refers needy persons to emergency shelters in the area or uses a voucher system to provide temporary lodging (maximum of 3 days) at a motel. Families with children are given first priority. All cases are reviewed individually. A portion of the Town's Housing and Community Development Block Grant Program funds have been allocated to the Community Services Agency.

- Salvation Army (Sunnyvale/Mountain View) and Extension (Los Altos)

Refers all persons, if possible, to emergency shelters or provides one day shelter at a motel using a voucher system on a very limited, case by case basis. Single men are generally referred to the San Jose Hospitality House where they may stay free of charge for three nights per year. Fees are charged for additional nights lodging.

- Alpha Omega Homeless Shelters

The Alpha Omega Homeless Shelter is a Community Service Agency (CSA) program that collaborates with churches in Los Altos Hills and Mountain View to provide short-term housing and general assistance for individuals actively seeking employment. The shelters are operated on a rotating basis among the 17 participating churches. Case management and assistance with life skills development, medical/dental care, and financial and legal matters are provided at CSA offices.

- Haven Family House (Menlo Park)

Acts as a transitional housing center for families referred there by different agencies, primarily Fair Oaks Community Center and Bayshore Christian Ministries. Families typically stay for about two months.

- Urban Ministry of Palo Alto

Operates Hotel DeZinc, a shelter providing lodging for 15 to 20 single persons. Families are not accommodated and are instead referred to other shelters in both San Mateo and Santa Clara County.

- Fair Oaks Community Center (Redwood City)

Whenever possible, refers both families and singles to transitional housing facilities. In limited cases, provides vouchers for a maximum of two to three nights stay at a motel.

Housing and Community Development Block Grants

The Town participates with Santa Clara County in the Federal Housing and Community Development Block Grant Program (CDBG), a funding source which makes available Federal funds to aid the development of among other items, affordable housing. The Town has received approximately \$50,000 to \$90,000 per year since it began participating with the County in 1988. While the funds are generally targeted for low income households wanting to rehabilitate their homes, funds have not been fully used for that purpose since the Town's initial participation. According to the County Housing and Community Development Department an estimated \$400,000 in CDBG funds are available for residential rehabilitation projects. However, because very few Town residents have availed themselves of this money, the funds have also been made available to qualified residents in County unincorporated areas. The Town can also request that accumulated CDBG funds be set aside for specific projects, which it has done in recent years to provide financial support for Project Match and Mid-Peninsula Housing Coalition projects.

ENERGY CONSUMPTION AND CONSERVATION

Energy conservation is standard practice in the housing development industry today. Through basic energy conservation construction techniques, households are able to lower energy bills and conserve natural resources.

In the Los Altos Hills area, energy costs and consumption result mainly from space and water heating. In 1990, a majority of the residents (84%) relied on natural gas for space and water heating. For space and water heating, the remainder of the population which does not use utility gas relied on electricity (10.5%), bottled or tank gas (2.8%), fuel oil (1%), or wood (1.4%).

Initially, most energy conservation measures were applied only by homeowners or developers who individually deemed it to be a worthwhile endeavor. Presently, however, statewide energy conservation standards, adopted in July 1983 (single-family homes) and January 1984 (multi-family units) are enforced throughout the state so that a minimum level of energy efficiency is established. Every newly constructed residential unit is required to abide by specified conservation regulations. These regulations are enforced by the Town of Los Altos Hills' Building Department through careful review of each proposed project for adequate energy efficiency as defined by the California Energy Commission. The Energy Commission has divided the state into a series of climate zones. Los Altos Hills is situated in Climate Zone 4. State energy efficiency standards are associated with this climate zone's special characteristics so as to maximize energy conservation. Mandatory features and devices required of all housing units in order to comply with State regulations include:

- insulation of ceilings, walls, ducts, water tanks, and pipes;
- caulking of all joints and penetrations;
- approved and certified doors, windows, fireplaces, shower heads, faucets, and heating equipment;
- setback thermostats; and
- efficient gas cooking appliances.

For further information on detailed requirements, refer to the Climate Zone 4 Manual issued by the California Energy Commission.

In addition, the Town encourages the use of both passive and active solar energy conservation techniques in building design and siting.

HOUSING GOALS, POLICIES, PROGRAMS, AND OBJECTIVES

GENERAL STRATEGY

As outlined in preceding sections of this Element, no significant housing needs or deficiencies have been identified in the Town. Nonetheless, the Town remains committed to ensuring that residential development and housing opportunities within the Town continue along the course established by the 1988 and 1998 Housing Elements.

In particular, the Town's approach to providing additional low and moderate income housing opportunities will emphasize the construction of new residential second units on existing lots and in future subdivisions, and the conversion of portions of existing primary residential units to secondary units. Residential second units are a practical solution for affordable housing in affluent and semi-rural communities such as Los Altos Hills. The potential advantages and benefits that second units offer include¹²:

- increasing residential units with relatively minimal impacts to the Town's semi-rural environment;
- affordable rents due to the lower costs of building second units relative to single family homes;
- rental income for elderly and young homeowners who might not otherwise be able to afford payment or maintenance of a home on a single income;
- non-monetary benefits provided by renters including services, companionship and added home security;

In addition to encouraging second unit construction, the 1988 second unit ordinance also legalized hundreds of previously existing second units. The Town's primary affordable housing strategy through the end of the decade will be to further encourage second unit construction through incentives to reserve floor area for such units, reduced fees and review time for processing second unit requests, enhanced public awareness of the opportunity to construct second units, and perhaps limited financial assistance for such construction.

On the following pages are a series of goals, policies, programs, and quantified objectives designed to guide the Town along a path of ensuring housing opportunities for all existing and future residents of the community, while at the same time remaining true to the principles upon which the Town was incorporated - mainly preservation of a unique rural residential environment set amidst a natural setting. None of the individual goals, policies, or programs is intended to be an entire solution to the issue of housing in the Town, but instead comprise a complete, integrated solution.

¹² From *Rural by Design: Maintaining Small Town Character*, Randall Arendt, et. al., American Planning Association (1994).

GOALS, POLICIES, AND PROGRAMS

I. Goal Preserve the existing character of the Town and provide housing opportunities for persons who desire to reside in a rural and environmentally sensitive environment.

A. Policy Ensure that all new residential development and reconstruction and rehabilitation of existing residences preserve the natural environmental qualities which significantly contribute to the rural atmosphere of the Town, including the hills, ridgelines, views, natural water courses, and the native trees.

B. Policy Continue to guide residential development in a manner that is sensitive, particularly in areas with significant environmental constraints.

C. Policy Protect areas with exceptional natural value.

D. Policy Ensure that reasonable opportunities are available for new residential development and reconstruction, and rehabilitation of existing residences while preserving, as much as possible, existing views, hills, ridgelines, water courses, riparian vegetation, significant open spaces, and native trees.

E. Policy Require landscaping to soften the impact of new development on the surrounding community.

F. Policy Require storm water drainage and erosion control systems to be designed to maintain, to the greatest extent possible, existing water drainage patterns and to protect existing downstream lands from flooding and flooding related hazards.

1. Program Review all new residential development and reconstruction and rehabilitation of existing residences through the Site Development Permit review process, which focuses on development siting as well as issues of grading, drainage, access, and landscape screening as visual mitigation.

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Planning
Quantified Objective:	N/A

2. Program Work with County of Santa Clara, midpeninsula cities, the Midpeninsula Regional Open Space District and other public

agencies to promote open space programs that are compatible with the Town's goals and policies, especially within the Town and its Sphere of Influence. (Policies A - D)

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Planning/Public Works
Quantified Objective:	N/A

II. Goal Maintain and preserve the quality of the Town's housing stock.

G. Policy Rely on individual property owners to maintain the quality of the Town's housing stock on an individual basis.

3. Program Participate through Santa Clara County in the Federal Housing and Community Development Block Grant Program to provide housing rehabilitation loans for low and moderate income housing units/households. Make available to the Town residents information about CDBG funds on the Town Website.

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency	Planning/City Manager
Quantified Objective:	N/A

4. Program Enforce the Uniform Housing Code through an on-going program of enforcement and abatement based on complaints from Town residents.

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency	Building Department
Quantified Objective:	N/A

III. Goal Ensure that all local housing needs and the Town's fair share of the regional housing need are met.

H. Policy Facilitate the private development of new residential units and the reconstruction and rehabilitation of existing residential units to meet the identified housing needs for all income levels of the community and provide for variety of housing opportunities.

5. Program Continue to facilitate and expedite the development of new and the rehabilitation and reconstruction of existing residential units.

The prompt processing of subdivision and design review applications and building permits has resulted in average construction rates consistent with the projected demand for housing in Los Altos Hills. The Town will continue to assist the property owners and development community in the housing development process.

<i>Time Frame:</i>	<i>Ongoing (Yearly Update)</i>
Responsible Agency:	Planning/Building
Quantified Objective:	212 above-moderate units

- 6. Program** Continue the annexation of lands within the Town's Sphere of Influence to increase the Town's supply of lands suitable for residential development. (Formerly Program 7)

In 2002 the Town rezoned a total of 286 acres of land known as San Antonio Hills that includes primarily one-acre lots. It is anticipated that most of these lands will be annexed to the Town of Los Altos Hills though not all within the timeframe of the 2001 Housing Element. In late 2002, the 58 acres of Ravensbury Area within San Antonio Hills was annexed by the Town. This will add to the supply of available housing units in the Town of Los Altos Hills. Additionally, all lots of one or more acres in size can potentially accommodate a secondary unit thus increasing the supply of affordable rental units.

<i>Time Frame:</i>	<i>June 2003</i> <i>(Ravensbury Annexation)</i>
Responsible Agency:	Planning/City Council
Quantified Objective:	3 very low, 3 low and 3 moderate

- 7. Program** Study and pursue additional sewer capacity for the Los Altos Basin area.

The Town is in the process of preparing a Sanitary Sewer Master Plan to serve as a strategic planning guide for the grading, improving and expanding of the Town's sewer infrastructure to meet existing and total "build-out" needs. Currently, 1,827 lots or approximately 60% of the Town's parcels are served by septic systems. It is anticipated that less than 10 percent of the existing systems cannot be replaced by new septic systems and thus will require sewer services from

the Town within the next 10 to 15 years. Preliminary findings show that the Town's system has adequate capacity to accommodate existing peak wet weather flows. This includes existing sites where secondary dwelling and employee units can be accommodated. The Town's sewer demands will continue to increase with new development, annexation of areas within the Town's sphere of influence and failure of some existing septic systems. However, it is unlikely that the Town will have to provide sewer services to all parcels given that topographical constraints of many of these parcels make it unfeasible to connect to the sewer lines. It is anticipated that at build-out, some deficient pipes with insufficient capacity will have to be replaced. The area known as Spalding Avenue/Magdalena Avenue is currently connected to the Los Altos Basin sewer system.

The Master Plan will include recommended capital improvement program to finance construction of required increased capacity to meet the needs as they arise. A joint sewer study is underway in coordination with the City of Los Altos to determine what, if any, improvements are needed to the Los Altos Basin system to renegotiate with Los Altos Hills for additional sewer connections. The conclusions of the joint sewer study will help determine the Town's share of costs to pay for upgrades to the system and its contractual obligations to increase sewer connections in the Los Altos Basin to allow development at build-out. Thus, it is not anticipated that there will be a lack of sewer service to the southern end of Town that would impact the development of secondary units or employee housing within existing annexed lands or within the Spalding Ave./Magdalena Ave. neighborhood.

<i>Time Frame:</i>	<i>December 2003</i>
Responsible Agency:	Los Altos Public Works
	Los Altos Hills Public Works
Quantified Objective:	NA

- 8. Program** Prezone 95 lots within the Spalding/Magdalena neighborhood including 40 lots that are one quarter of an acre in size or smaller and 1) adopt minimum development standards consistent with current County zoning standards for the R1E District (setback for front-25 ft., side-5 ft., corner lot side-10 ft., rear-25 ft., scenic road-100 ft.,

maximum height-35 ft./2 stories), 2) establishes a process for subsequent review of a development application that will require Site Development Review by the Planning Commission, and 3) adopt Santa Clara County standards for secondary units applicable to lots under one acre minimum (4.10.340). Approval of secondary units shall be a ministerial process in accordance with AB1866.

<i>Time Frame:</i>	<i>Prezone: Dec. 2004</i> <i>Annexation: 2005-2006</i>
Responsible Agency:	City Council
Quantified Objective:	10 moderate units 3 low units

- 9. Program** Modify the Zoning Ordinance to allow institutions located within Los Altos Hills to provide housing for employees.

Modify the zoning ordinance to change permitted uses in institutional lands (i.e. Fremont Hills Country Club, Packard Foundation, Westwind Barn) to allow housing for employees. Through this revision, institutions will be able to create opportunities for a small number of employees, of these institutions to live on-site in Los Altos Hills. This will help in the creation of affordable housing opportunities in Los Altos Hills while helping in the reduction of commute traffic.

Under the current Ordinance, institutional uses require a conditional use permit. The Town of Los Altos Hills will amend the zoning ordinance as follows 1) employee housing shall be permitted within institutional use properties where directly related to the main use, 2) standards shall be developed to include incentives such as reduced parking requirements, 3) a use permit amendment will be required for approval of employee housing.

<i>Time Frame:</i>	<i>Ordinance change</i> <i>January 2004</i>
Responsible Agency:	City Council
Quantified Objective:	2 very low, 3 low income units

- 10. Program** Develop, maintain, and make available on the City's website information on the construction of new, and rehabilitation of existing, residential units. (Formerly Program 6)

<i>Time Frame:</i>	<i>Beginning January 2004</i>
Responsible Agency:	Planning/Building
Quantified Objective:	N/A

- I. Policy** Provide opportunities for lower cost housing through the development of residential second units, including new second units and those developed through the conversion of portions of existing primary units equating to at least 20% of all newly constructed residential units.

- 11. Program** Provide a review process to allow staff level approval of all residential second units.

Since the adoption of the 1998 Housing Element, the Town has successfully adopted an administrative review process for residential second units whereby any second units that conform to development standards may be approved at staff level. This has resulted in an expedited process and the production of 27-second units from 1999 through 2002. The Town will continue to encourage and facilitate the production of second units through the expedited administrative review process.

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Planning
Quantified Objective:	20 very low, 7 low and 10 moderate units

- 12. Program** Beginning on July 1, 2003, secondary dwelling units shall require ministerial approval only. The Town will revise the Zoning Ordinance to adopt a ministerial review process for secondary dwelling units in accordance with Government Code Section 65852.2 (second-unit law). The Town will submit a copy of the revised Ordinance to HCD within 60 days of adoption.

<i>Time Frame:</i>	<i>Spring 2004</i>
Responsible Agency:	Planning
Quantified Objective:	N/A

- 13. Program** Waive the housing fee (\$1,050) for all residential second units. (Formerly Program 9)

Time Frame: *January 2004*
Responsible Agency: **City Council**
Quantified Objective: **N/A**

- 14. Program** Develop a residential second unit brochure, to be available at the Town's public information counter and to be given to each applicant for development of a residential parcel within the Town, to existing residents interested in developing new second units or converting portions of existing primary units, and to seniors seeking opportunities to remain in Los Altos Hills. The second unit brochures shall be provided to all owners of property that is rezoned and annexed to the Town of Los Altos Hills. Brochures shall include information regarding incentive for construction of secondary units, such as an expeditious review (ministerial) process and waiver of housing fee. Additionally, the secondary unit brochure and/or information contained therein, shall be included in the Town's website.

Time Frame: *December 2003*
Responsible Agency: **Planning/Building**
Quantified Objective: **N/A**

- J. Policy** Work and cooperate with the Foothill-DeAnza Community College District in the development of student, faculty and employee housing apartments at Foothill College by processing development applications in an expeditious manner.

- 15. Program** Meet with College District Representatives to explore opportunities with the Foothill-DeAnza Community College District for the development of affordable student, faculty and employee housing on the College properties, and provide incentives for development through an expedited review process.

Time Frame: *January 2004*
Responsible Agency: **Planning/City
Manager/City Council**
Quantified Objective: **N/A**

K. Policy Use density bonus to encourage the creation of affordable housing.

- 16. Program** Adopt a density bonus ordinance to encourage affordable or senior housing or both in accordance with Government Code Section 65015 *et seq.*

<i>Time Frame:</i>	<i>Ordinance Change</i>
	<i>January 2004</i>
Responsible Agency:	City Council
Quantified Objective:	N/A

L. Policy Participate with Santa Clara County, the Association of Bay Area Governments, and the State Department of Housing and Community Development in the routine assessment of local and regional housing needs as they relate to the Town.

- 17. Program** At least once every five years participate in the determination of the Town's local housing needs. (Formerly Program 11)

<i>Time Frame:</i>	<i>2006</i>
Responsible Agency:	Planning/City Council
Quantified Objective:	N/A

- 18. Program** Maintain an inventory of sites, either manually or via the use of a computerized data base, suitable for residential development, based on available environmental and infrastructure information. (Formerly Program 12)

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Planning/Public Works
Quantified Objective:	N/A

- 19. Program** At least once at the beginning and once at the end of the five-year timeframe of the Housing Element, conduct Town-wide surveys to ascertain information on rental rates of rooms and second units, occupancy status, structural condition of unit or room, etc. (Formerly Program 13)

<i>Time Frame:</i>	<i>2002, 2006</i>
Responsible Agency:	Planning
Quantified Objective:	N/A

- 20. Program** Maintain an inventory of secondary units and provide monthly and yearly updates on the construction of secondary units.

At mid-point in the timeframe of the Housing Element, the Town will compare the results of the tracking system with its regional housing needs allocation (RHNA) for very low, low and moderate-income families. If RHNA is not being met, the City will develop alternative strategies for addressing the housing needs of low, lower and moderate-income families.

<i>Time Frame:</i>	<i>Yearly Updates–Survey 2004</i>
Responsible Agency:	Building/Planning
Quantified Objective:	N/A

- M. Policy** Review Town policies and regulations on a regular basis to ensure that the regulations, the process, and the fees do not lead to unnecessary impediments to housing development nor unnecessary increases in housing development costs.

- 21. Program** Review all building and planning fees on a regular basis to assure that fees charged cover but do not exceed the Town's costs of delivering services and adjust accordingly. (Formerly Program 14)

The Town completed a review of development fee charges in Fall of 2002 that resulted in the recommendation to reduce building permit fees for new single-family residences and residential second units. Town Council has approved the recommended reductions with adoption of Ordinance to take effect in March 2003.

<i>Time Frame:</i>	<i>Annually</i>
Responsible Agency:	City Council
Quantified Objective:	N/A

- N. Policy** Maintain and provide pertinent information pertaining to environmental constraints affecting residential development.

- 22. Program** Develop, maintain, and make available pamphlets, brochures, and other written information on the Town's development and environmental constraints and permitting process.

<i>Time Frame:</i>	<i>Ongoing (Yearly Update)</i>
Responsible Agency:	Planning/Building
Quantified Objective:	N/A

IV. Goal To encourage energy conservation to lower housing operation costs, reduce demands on existing energy systems, and preserve non-renewable resources.

O. Policy Recommend and promote energy conservation in existing and new housing.

23. Program Enforce the use of energy conserving features required by the latest edition of the Uniform Building Code and applicable provisions of the California Government Code. (Formerly Program 15)

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Building
Quantified Objective:	N/A

24. Program Refer interested citizens to PG&E for information on energy conservation. (Formerly Program 16)

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Building
Quantified Objective:	N/A

V. Goal Encourage older residents to remain members of the community.

P. Policy Support and encourage participation in programs for seniors in cooperation with local and regional non-profit agencies. The County of Santa Clara contracts with Mid-Peninsula Citizens for Fair Housing for provision of fair housing education, outreach and counseling services. While not providing direct funding to Mid-Peninsula Citizens for Fair Housing, the Town of Los Altos Hills is one of several jurisdictions that participate with the County of Santa Clara in providing fair housing services to its residents and make use of the programs available through Mid-Peninsula Citizens for Fair Housing. The Town of Los Altos Hills will prepare a handout with information on this service and will make it available at the public counter. A link to the Mid-Peninsula Citizens for Fair Housing will be made available on the Town's Web-site. In addition, the Town will continue to refer complaints on discrimination in housing access to Mid-Peninsula Citizens for Fair Housing.

- 25. Program** Continue to provide financial support to the Community Services Agency and the Los Altos Senior Center for the provision of such services as emergency assistance, nutrition and hot meal programs, information and referral, and senior care management. (Formerly Program 17)

Time Frame: *Ongoing*
Responsible Agency: **City Council/City Manager**
Quantified Objective: **\$10,000 in annual contributions**

- 26. Program** Support Project Match, a home sharing service that matches seniors interested in sharing their homes with other seniors, including publicizing Project Match its services via articles in local newspapers and newsletters, and possibly including financial support to assist Project Match. (Formerly Program 18)

Time Frame: *Ongoing*
Responsible Agency: **City Council/City Manager**
Quantified Objective: **0 - \$5,000**

- VI. Goal** Eliminate discrimination in housing access based on race, religion, national origin, age, sex, marital status or physical handicap, and other arbitrary barriers that prevent choice of housing.

- Q. Policy** Refer complaints of discrimination to groups such as the Midpeninsula Citizens for Fair Housing to provide fair housing services if necessary.

Time Frame: *Ongoing*
Responsible Agency: **Planning/City Manager**
Quantified Objective: **NA**

- R. Policy** Address the housing needs of special population groups.

- 27. Program** Promote home room rentals to college students through articles in local newspapers and newsletters and via postings on appropriate kiosks and housing offices at Foothill Community College and Stanford University. (Formerly Program 19)

Time Frame: *Ongoing*
Responsible Agency: **City Manager**
Quantified Objective: **N/A**

- 28. Program** Refer any individual or household in need of emergency shelter to appropriate agencies and organizations. (Formerly Program 20)

<i>Time Frame:</i>	<i>Ongoing</i>
Responsible Agency:	Planning/City Manager
Quantified Objective:	N/A

- 29. Program** As required by State Law, amend the Zoning Ordinance to allow board and care facilities for six or fewer residents and transitional housing.

The California Health and Safety Code Section 1568.031 provides that a residential care facility (defined as a facility serving six or fewer persons) is a residential use and must be permitted wherever residential uses are allowed.

<i>Time Frame:</i>	<i>December 2003</i>
Responsible Agency:	City Council
Quantified Objective:	N/A

- S. Policy** Review the Zoning Ordinance to identify provisions that could pose constraints on the development of housing for persons with disabilities, and amend the ordinance as needed to expedite retrofit efforts to comply with the Americans with Disabilities Act (ADA), require ADA compliance in all new development that is subject to ADA, and provide adequate flexibility in the development of housing for persons with disabilities.

- 30. Program** Establish procedures for review of new residential developments to ensure ADA compliance, where applicable.

<i>Time Frame:</i>	<i>December 2003</i>
Responsible Agency:	City Council
Quantified Objective:	N/A

- VII. Goal** Preserve neighborhood quality while ensuring an expeditious development review process.

- T. Policy** Review all new proposed residential development via the Site Development Permit process to ensure compatibility among existing community standards.

- 31. Program** Review and update development review procedures in coordination with city departments and other responsible agencies to ensure efficient customer service and expeditious delivery of development review services.

Time Frame: *June 2003*
Responsible Agency: **Planning/City Council**
Quantified Objective: **N/A**

- U. Policy** Encourage rehabilitation and reconstruction of existing residential units compatible with the established neighborhood character.

- 32. Program** Establish and implement residential development guidelines to assist in design and review.

Time Frame: *Ongoing*
Responsible Agency: **Planning/City Manager**
Quantified Objective: **N/A**

- V. Policy** Maintain and improve necessary community services as needed to accommodate new residential development.

- 33. Program** Update 2001 Community Survey that evaluates the condition and need for community services and report to City Council.

Time Frame: *April 2006*
Responsible Agency: **Planning**
Quantified Objective: **N/A**

- 34. Program** Continue to participate with Santa Clara County in the Federal Housing and Community Development Block Grant Program, with allocation of the Town's share of funds prioritized first to Town residents and programs, and then to programs that benefit the local area. **(Formerly Program 8)**

Time Frame: *Ongoing*
Responsible Agency: **Planning/City Manager**
Quantified Objective: **N/A**

VIII. Goal Prevent loss of housing units due to wildland fire that cost Los Altos Hills 15 housing units in 1985, and cost the Oakland Hills 3,000 units in a similar setting in 1991.

W. Policy Encourage undergrounding of overhead transmission lines in areas of relatively high risk for wildland fires.

35. Program Make available material including brochures and pamphlets to educate the Town public on the benefits of undergrounding utility lines. **(Formerly Program 21)**

<i>Time Frame:</i>	<i>January 2004</i>
Responsible Agency:	Public Works
Quantified Objective:	N/A

X. Policy Cooperate with the Fire Department on fire prevention efforts including brush and weed abatement.

36. Program Make available material on the Town's Web Site to educate the Town public on the benefits of and requirements for brush and weed abatement.

<i>Time Frame:</i>	<i>January 2004</i>
Responsible Agency:	Fire/Building
Quantified Objective:	N/A

Y. Policy Cooperate with Purissima Hills Water Department on hydrant upgrades.

37. Program Make available material on the Town's Web Site to educate the Town public on the hydrant upgrades requirements.

<i>Time Frame:</i>	<i>January 2004</i>
Responsible Agency:	Public Works
Quantified Objective:	N/A

SUMMARY OF OBJECTIVES

The Town is required in the Housing Element to quantify the objectives of the Town for the period 1999-2006 so as to project the number of new residential units which will be developed within the Town. As has been documented earlier in this Element, the Town has made substantial progress in addressing its regional fair share of housing in all four income categories. The Town has already met its regional fair share for above moderate housing units with permits issued for 61 new residences during 1999-2001. During this same period 21 new second units were permitted. Data on the Town's rate of residential second unit construction suggest the possibility of 33 new second units being constructed for the period 2002-2006. Even if the rate of second unit construction decreased, an increase of just 10 second units during 2002-2006 would substantially meet the Town's housing needs for all other income levels.

Table 8 below represents the Town's residential construction objectives for this housing element period. Data for 1999-2001 is based on actual permits issued. Using the Town's current rate of new residential construction, an estimated 28 second units will be added to the housing stock during 2002-2006. The distribution of new units by income categories is based on the Town's 2002 Second Unit Survey. In addition, the annexation of lands will increase the potential for construction of second units on all properties containing one acre as well as potentially increase the inventory of homes within the moderate income range.

Table 8
Residential Unit Construction Objectives
1999 –2006

Residential Unit Type	1999-2001	2002-2006	Total	ABAG Regional Fair Share
Above Moderate	107	105	212	53
Moderate	4	19	23	15
Low	5	11	16	5
Very Low	14	11	25	10
Total	130	146	276	83
Rehabilitated units		5	5	

APPENDIX A
SECONDARY UNIT SURVEY-UPDATE 2002

A Secondary Unit, as defined by the State, is a self-contained dwelling with all of the following:

- a) Its own entrance
- b) A cooking facility
- c) A bathroom
- d) Not exceeding 1000 square feet floor area

It may be either attached to the main building, or separate from it.

If you have a secondary unit, please circle the appropriate letter for the responses in Sections A and C.

If you do not have a secondary unit, fill out Section B only.

SECTION A

1. About how big is your unit?
 - a) Under 700 square feet
 - b) Over 700 square feet
2. Is the unit
 - a) Attached to your main house?
 - b) Detached from the main house?
3. Type of unit:
 - a) Studio
 - b) 1 bedroom
 - c) 2 bedroom
4. About how old is your unit?
 - a) Built before 1956
 - b) Built between 1956 and 1989
 - c) Built after 1989
5. Is the unit occupied?
 - a) Yes (if “yes,” proceed to question #6)
 - b) No (if “no,” ignore question #6, and go to #7)

6. What is the monthly rent of your unit?
 - a) No rent is charged
 - b) Under \$490
 - c) \$490 to \$625
 - d) \$626 to \$760
 - e) Over \$760
7. If you don't currently rent your unit, what would you expect to charge if you did?
 - a) Under \$490
 - b) \$490 to \$625
 - c) \$626 to \$760
 - d) Over \$760
8. Please check the age groups of current occupants of your unit.
 - a) Under 16 years
 - b) 16-30 years
 - c) 31-55 years
 - d) Over 55 years
9. Secondary unit's occupants' primary form of transportation:
 - a) Car (if yes, how many?_____)
 - b) Public transportation
 - c) Bicycle
 - d) Walk

SECTION B

(To be completed by residents with no secondary dwelling)

10. Do you currently have a rental unit which doesn't qualify under the State's definition as a secondary unit?
 - a) No
 - b) Yes; but it doesn't qualify because it is missing:
 - i) A separate entrance
 - ii) A cooking facility
 - iii) A bathroom
11. Do you have a structure on your property that could be converted to a secondary dwelling?
 - a) Yes
 - b) No
 - c) Don't know
12. Is your property one acre or greater?

- a) Yes
 - b) No
13. Do you have at least 500 square feet of undeveloped floor area available for additional development?
- a) Yes
 - b) No
 - c) Don't know
14. Are you considering building a secondary unit?
- a) Yes
 - b) No

SECTION C

15. How many secondary units do you have? _____
16. Does your secondary unit conform to existing ordinances?
- a) Yes
 - b) No, because it has the following non-conformance(s):
 - i) Sited in setbacks
 - ii) Larger than 1000 square feet
 - iii) Not built to code
 - iv) Built without permits
 - v) Inadequate parking
 - vi) No separate entrance
 - c) Don't know

We would appreciate your thoughts and suggestions:

When you have completed this form, please mail it in the enclosed envelope - no stamp is needed

APPENDIX B SECONDARY UNIT SURVEY RESULTS

	Number of Responses	Percentage of Total
Total responses	1,245	41%
Responses w/ second units	205	16%
Second units occupied - Yes	110	54%
Second units occupied - No	95	46%
Rent = \$0	49	41%
Rent < \$625 - \$875	27	22%
Rent = \$876 - \$995	12	10%
Rent > \$995	32	27%
Size < 700 Sq. Ft.	111	54%
Size > 700 Sq. Ft.	94	46%
Studio	80	39%
1-Bedroom	87	42%
2-Bedroom	38	19%
Expected rent < \$625	18	16%
Rent = \$625 - \$875	26	22%
Rent = \$876 - \$995	19	17%
Rent > \$995	52	45%
Interested in second unit	179	14%
Not interested in second unit	833	67%
Not sure / No answer	233	19%

APPENDIX C 1998 HOUSING ELEMENT IMPLEMENTATION

The following presents a program by program analysis of the Town's implementation of the 1998 Housing Element goals, policies, and programs.

- I. Goal** *Preserve the existing character of the Town and provide housing opportunities for persons who desire to reside in a rural environment.*
- A. Policy** *Ensure that all new residential development and reconstruction and rehabilitation of existing residences preserve the natural environmental qualities which significantly contribute to the rural atmosphere of the Town, including the hills, ridgelines, views, natural water courses, and the native trees.*
- B. Policy** *Prohibit or limit residential development in areas with significant environmental constraints through development prohibition, avoidance, setbacks, and/or in-kind replacement.*
- C. Policy** *Protect areas with exceptional natural value through development prohibition, avoidance, setbacks, in-kind replacement, and where feasible, obtain ownership or easements to allow stewardship via open space and conservation programs.*
- D. Policy** *Ensure that all new residential development and reconstruction, and rehabilitation of existing residences preserves, as much as possible, existing views, hills, ridgelines, water courses, riparian vegetation, significant open spaces, and native trees.*
- E. Policy** *Require landscaping to soften the impact of new development on the surrounding community.*
- F. Policy** *Require storm water drainage and erosion control systems to be designed to maintain, to the greatest extent possible, existing water drainage patterns and to protect existing downstream lands from flooding and flooding related hazards.*
- 1. Program** *Review all new residential development and reconstruction and rehabilitation of existing residences through the Site Development Permit review process, which focuses on development siting as well as issues of grading, drainage, access, and landscape screening as visual mitigation. (Policies A - F)*

The Town continues to review all new residential development and rehabilitation projects through the Site Development Permit review process to ensure consistency with applicable regulations and policies related to development standards, grading, drainage, and aesthetics. This program has been carried into the current Element as Program 1.

2. **Program** *Work with County of Santa Clara, midpeninsula cities, the Midpeninsula Regional Open Space District and other public agencies to promote open space programs which are compatible with the Town's goals and policies, especially within the Town and its Sphere of Influence. (Policies A - F)*

As of 1998 no collaborative efforts have been made between the Town and other agencies in promoting open space. However, the Town continues to be committed to pursuing its own open space policies outlined in its General Plan, as well as supporting any future regional efforts to promote open space that are consistent with the Town's policies. This program has been carried into the current Element as Program 2.

II. Goal *Maintain and preserve the quality of the Town's housing stock.*

- G. **Policy** *Rely on individual property owners to maintain the quality of the Town's housing stock on an individual basis.*

3. **Program** *Participate with Santa Clara County in the Federal Housing and Community Development Block Grant Program to seek funding to provide housing rehabilitation loans for low and moderate income housing units/households.*

As previously discussed, the Town's housing stock is in good condition and the average household income is among the highest in the County. Because of this there has been relatively little need for participation in the CDBG Program. However, the Town will continue to work through the County of Santa Clara to make sure funds are available should the need arise to assist Town residents with rehabilitation projects. This program has been carried forward into the current Element as Program 3.

- 4. Program** *Enforce the Uniform Housing Code through an on-going program of enforcement and abatement based on complaints from Town residents.*

The Town's Municipal Code includes provisions for enforcement of its provisions, including the use of abatement procedures if warranted. Abatement procedures are initiated by the Town's residences. This program has been carried forward into the Current Element as Program 4.

- III. Goal** *Ensure that all local housing needs and the Town's fair share of the regional housing need are met.*

- H. Policy** *Facilitate the private development of new residential units and the reconstruction and rehabilitation of existing residential units to meet the identified housing needs for all income levels of the community.*

- 5. Program** *Develop, maintain, and make available pamphlets, brochures, and other written information on the Town's permitting processes to facilitate and expedite the development of new and the rehabilitation and reconstruction of existing residential units.*

The Town has made available a "fast-track" program for developers and homeowners that expedites the review process which meet all of the Town's regulations, have little or no neighborhood opposition. A pamphlet has been created and made available to inform residences and prospective builders on the fast-track review process. The Town will continue to explore ways to develop current and new strategies of informing its residents and prospective builders of the permitting process. This program has been carried forward into the current Element as Program 11.

- 6. Program** *Continue the annexation of lands within the Town's Sphere of Influence to increase the Town's supply of undeveloped lands suitable for residential development.*

In 2002 the Town rezoned a total of 286 acres of land known as San Antonio Hills that includes primarily one-acre lots. It is anticipated that most of these lands will be annexed to the Town of Los Altos Hills though not all within the timeframe of the 2001 Housing Element. In late 2002, the 58 acres of

Ravensbury Area within San Antonio Hills was annexed by the Town. This will add to the supply of available housing units in the Town of Los Altos Hills. *A revision of the Town's Land Use Element is underway that will include a review of unincorporated lands within the Town's Sphere of Influence that may be suitable for annexation. The Town will continue to be open to explore ways of annexing land for the purpose of increasing its housing stock. This program will be carried into the current Element as Programs 6, 7 and 8*

7. **Program** *Continue to participate with Santa Clara County in the Federal Housing and Community Development Block Grant Program, with allocation of the Town's share of funds prioritized first to Town residents and programs, and then to programs which benefit the local area.*

The Town has not received any assistance procured by the County through the Federal Housing and Community Development Block Grant Program. As previously discussed, the Town will continue to participate with the County. This program has been carried into the current Element as Program 33.

- I. **Policy** *Provide opportunities for lower cost housing through the development of residential second units, including new second units and those developed through the conversion of portions of existing primary units, equating to at least 25% of all newly constructed residential units and through cooperating with Foothill College to accommodate on-campus student apartment housing through the development review process.*

8. **Program** *Establish an in-lieu fee to be assessed on newly developed residential properties which do not include the concurrent development of a residential second unit or which do not reserve adequate floor area (minimum of 600 square feet) for subsequent development of a residential second unit.*

The Town has not established an in-lieu fee on newly developed residential properties that do not include a second unit or areas reserved for future second unit development. The Town believes such a fee would be an unnecessary constraint to new residential development. Instead of the fee, the Town is proposing ways to provide incentives for construction of second units on both developed and undeveloped parcels. The

incentives may include waiving the housing fee and expedited review of second units. This program will not be carried into the current Element.

9. **Program** *Establish a fund to promote the development of residential second units including the making of low interest loans for the development of residential second units, to offset the costs associated with the waiving of development fees for lower cost housing, to offset the current housing fee, and for the promotion of residential second unit development.*

Because the aforementioned in-lieu fee was not implemented, no money was made available to establish this fund. The Town has determined that the current rate of second unit development has adequately kept pace with the local need for affordable units despite the absence of this fund. This program will not be carried into the current Element.

10. **Program** *Revise the review process to allow staff level approval of residential second units of 750 square feet in size or less.*

Current Town regulations allow for administrative review and approval of second units 750 square feet or less in size. This program has been further expanded to include all second units provided they meet all applicable development standards. This program has been successfully implemented and therefore will be carried into the current Element as Program 11.

11. **Program** *Eliminate the housing fee (\$1,050) for all residential second units.*

The Town intends to waive the housing fee as an additional incentive for the construction of second units. This program will be amended and carried into the current Element as Program 12.

12. **Program** *Establish low interest loans for the construction of affordable residential second units, with loan administration contracted to a local-area non-profit organization.*

The Town has not been able to identify any local-area non-profit organizations with programs that administer low interest loans specifically for the construction of second units. Further,

he Town feels that given the economic composition of the community, most property owners are able to construct secondary units and will not take advantage of such programs. Other programs such as an expedited process and reduced fees would provide better incentives for construction of second units. This program has not been carried into the current Element.

- 13. Program** *Designate the current housing fee (\$1,050) for all market rate new residential construction to be contributed to a fund to promote residential second units.*

The Town feels that current staffing and budget constraints make it difficult to effectively manage and administer a fund created for the purpose of promoting second units, therefore the housing fee has not been designated for this purpose. However, the Town is considering waiving the housing fee for projects that propose construction of a second unit as a way to promote their construction. This program will not be carried into the current Element.

- 14. Program** *Develop a residential second unit brochure, to be available at the Town's public information counter and to be given to each applicant for development of a residential parcel within the Town, to existing residents interested in developing new second units or converting portions of existing primary units, and to seniors seeking opportunities to remain in Los Altos Hills.*

The Town has developed and made available an informative brochure on constructing second units. This program has been implemented and will be carried over into the current Element as Program 13.

- J. Policy** *Cooperate with the Foothill-DeAnza Community College District should they desire to develop student housing apartments at Foothill College by processing development applications in an expeditious manner.*
- K. Policy** *Participate with Santa Clara County, the Association of Bay Area Governments, and the State Department of Housing and Community Development in the routine assessment of local and regional housing needs as they relate to the Town.*

- 15. Program** *At least once every five years participate in the determination of the Town's local housing needs.*

This Element Update assesses the Town's housing needs since the 1998 Element. The Town is committed to continuing this pattern of frequently reassessing its housing needs as necessary. This program has been carried forward into the current Element as Program 16.

- 16. Program** *Maintain an inventory of sites, either manually or via the use of a computerized data base, suitable for residential development, based on available environmental and infrastructure information.*

A land use map is currently being developed which will assist the Town in identifying underutilized parcels with potential for residential development. This program has been carried forward into the current Element as Program 17.

- L. Policy** *Review Town policies and regulations on a regular basis to ensure that the regulations, the process, and the fees do not lead to unnecessary impediments to housing development nor unnecessary increases in housing development costs.*

- 17. Program** *Review all building and planning fees on a regular basis to assure that fees charged do not exceed the Town's costs of delivering services.*

A fee study was completed in 2002 that resulted in revisions to the Town's Fee Structure. The study was motivated by the Town's desire to ensure fees and exactions are not excessive. The Town will review its fee structure on a regular basis to ensure that fees cover the cost of services for the community while not being to excessive. This program has been carried forward into the current Element as Program 20

- M. Policy** *Maintain and provide pertinent information pertaining to environmental constraints affecting residential development.*

The Town will complete a land use inventory that includes information on environmental constraints. This Program will be carried over as Program 21.

IV. Goal *To encourage energy conservation to lower housing operation costs, reduce demands on existing energy systems, and preserve non-renewable resources.*

N. Policy *Recommend and promote energy conservation in existing and new housing.*

18. Program *Enforce the use of energy conserving features required by the latest edition of the Uniform Building Code and applicable provisions of the California Government Code.*

The Town's Building Department reviews all building permits for compliance with applicable energy conservation requirements including Title 24 of the Uniform Building Code. This program has been carried into the current Element as Program 22.

19. Program *Refer interested citizens to PG&E for information on energy conservation.*

Contact information and referrals to PG&E are made readily available by the Town to residents interested in energy conservation. This program has been carried forward into the current Element as Program 23

V. Goal *Encourage older residents to remain members of the community.*

20. Program *Continue to provide financial support to the Community Services Agency and the Los Altos Senior Center for the provision of such services as emergency assistance, nutrition and hot meal programs, information and referral, and senior care management.*

Since 1998 the Town has contributed approximately \$12,000 to the Community Services Agency and the Los Altos Senior Center respectively. The town intends to continue this financial support. This program has been carried forward into the current Element as Program 24.

21. Program *Support Project Match, a homesharing service that matches seniors interested in sharing their homes with other seniors, including publicizing Project Match its services via articles in local newspapers and newsletters, and possibly including financial support to assist Project Match.*

VI. Goal *Eliminate discrimination in housing access based on race, religion, national origin, age, sex, marital status or physical handicap, and other arbitrary barriers that prevent choice of housing.*

O. Policy *Refer complaints of discrimination to groups such as the Midpeninsula Citizens for Fair Housing to provide fair housing services if necessary.*

P. Policy *Address the housing needs of special population groups.*

22. Program *Promote home room rentals to college students through articles in local newspapers and newsletters and through the provision of a rental availability bulletin board at Town Hall and via postings on appropriate kiosks and housing offices at Foothill Community College and Stanford University.*

Town Hall has installed a bulletin board for posting general classified advertisements including rental availability. Additionally, home room rentals for college students have been advertised through local newspaper classifieds, and at kiosks and bulletin boards at nearby colleges and universities. This program will be amended and carried into the current Element as Program 26.

23. Program *Refer any individual or household in need of emergency shelter to appropriate agencies and organizations.*

The Town has an informal referral service for individuals or households in need of emergency shelter. This program has been carried forward into the current Element as Program 27.

Consistent with its commitment to implement this Policy, the Town has expanded programs to further assist and address housing needs for special population groups as part of the current Housing Element.

VII. Goal *Preserve neighborhood quality.*

Q. Policy *Review all new proposed residential development via the Site Development Permit process to ensure compatibility among existing community standards.*

This Policy has been carried over to the current Housing Element and a specific program has been identified to help implement it.

- R. Policy** *Encourage rehabilitation and reconstruction of existing residential units compatible with the established neighborhood character.*
This Policy has been carried over to the current Housing Element and a specific program has been identified to help implement it.
..
- S. Policy** *Maintain and improve necessary community services.*
This Policy has been carried over to the current Housing Element and a specific program has been identified to help implement it.
- T. Policy** *Maintain opportunities for residents to participate in neighborhood planning and improvements.*
This Policy has been carried over to the current Housing Element and a specific program has been identified to help implement it.

APPENDIX D

VACANT AND UNDERUTILIZED PARCELS STUDY

Table D-Subdividable Lands					
Map Code	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints	Constraint Comments
1	D	10.9	3 to 4	A	
2	V	7.2	1 to 2	C	Open space designation in GP; Moderate slope
3	D	3.5	0 to 1	A	
4	V	5.4	1 to 2	C	Open space designation in GP
5	D	3.6	0 to 1	B	50% of lot >30% slope
6	D	3.8	0 to 1	B	75% of lot has 50% slope. Rest 17%
7	D	3.6	0 to 1	B	80% of lot has 30%+ slope
8	D	4.1	0 to 1	B	Consistent average slope of 33%
9	D	3.9	0 to 1	B	75% has 34.25%, rest is 10%
10	D	3	0 to 1	A	
11	D	5	1 to 2	A	
12	D	3.4	0 to 1	F	Odd lot configuration + Matadero Creek
13	D	3	0 to 1	A	
14	D	9.4	2 to 3	B	60% of lot has 30% slope, rest 20%
15	D	4.3	0 to 1	B	50% of lot has 30% slope, rest 25%
16	D	3.6	0 to 1	E	landslide deposit at southwest corner of lot
17*	D	12.7	6	D	Subdivided Huang
18	D	4.3	1 to 2	A	
19	V	41.2	4 to 6	B	Over 50% of lot is steeper than 30%
20*	D	5.3	2	D	Subdivided Yazdani and Afshar Faramarz
21	V	10.7	2 to 3	E	Monte Vista Fault, mudslides, slopes, and gorge
22	D	7	1 to 2	A	
23	D	9.8	2 to 3	A	
24	D	3	0 to 1	A	
25	D	4.8	0 to 1	A	
26	D	3.1	0 to 1	A	
27	D	3.4	0 to 1	A	
28	D	3.4	0 to 1	B	Average slope of lot >30%
29	D	3.5	0 to 1	B	Average slope of lot >30%
30	D	5.6	0 to 1	B	Average slope of lot is 40-45%
31	D	6.1	0 to 1	B	45% of lot has 60% slope, rest >25% slope
32	D	3.8	0 to 1	A	
33	D	4.4	0 to 1	A	
34	D	5.2	0 to 1	A	
35	D	4	0 to 1	A	
36	D	18.1	1 to 3	E	Land slides areas, Monte Vista Fault
37	D	3.7	0 to 1	A	
38	D	3	0	F	Long and narrow lot

Table D (continued)					
Map Code	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints	Constraint Comments
39	D	3.2	0 to 1	A	
40	D	3.4	0 to 1	A	
41	D	3.3	0 to 1	A	
42	D	6.5	1	B	65% of lot has 23.5% slope, rest 35.7%
42	D	6.5	1	B+F	65% of lot >35% slope. Long narrow parcel
43	D	10	1 to 2	B	Lot has an average slope of about 77%
44	D	3.2	0	B-F	50% near 100% slope, rest 10%. Odd shape
50	D	6.1	0	C	Purissima Creek Conservation Area
51	D	5.5	0	C	Purissima Creek Conservation Area
52	D	3.3	0	F	Steep and oddly shaped
53	V	6.7	2	B	Lot has an average slope of 25%
54	D	3.3	0 to 1	H	
55	V	4.9	0 to 1	B	50% of lot has >30% slope
56	D	38.4	6 to 8	B	30% of lot has >30% slope
57	D	5.6	0 to 1	B	Lot has an average slope of 15.5%
58	D	15.7	2 to 3	B, H	80% of lot has >35% slope, rest 16%
59	D	5	0 to 1	B, F, H	80% of lot has >32% slope; two opposing slopes
60	V	9.8	2 to 3	B, F, H	Lot has an average slope of 39%:two opposing slopes
61	D	10.2	1 to 2	B, H	Lot has an average slope of 27%
62	D	3	0 to 1	B, F, H	Average slope of lot is 11.5%: odd slopes
63	D	3.2	0 to 1	H	Average slope of lot is 11.1%
64	V	5.1	1	F, H	Property is oddly shaped: hole in center
65	D	4.4	0 to 1	B, H	70% of lot has 46.4% slope, rest is 31.03%
66	V	3.2	1	F, H	Oddly shaped and with steep slopes over 1/2 of lot
67	D	3.4	0 to 1	H	
68	D	3.3	0	B, H	Average slope of lot is 35.29%
69	D	3	0	B, H	Uniform steep slope 50%
70	D	3.2	0	B, H	60% of lot has 30% slope, rest 18%
71	D	3.6	0 to 1	B, H	Average slope of lot is 32.5%
72	D	4.5	0 to 1	B, H	Average slope of lot is 57%
73	D	3.5	0 to 1	B, H	Uniform steep slope 50%
74	D	3.3	0 to 1	H	
75	D	4.4	0 to 1	B, H	45% of lot has 27% slope, rest 15%
76	V	3.3	1 to 2	B, H	Average slope of lot is 10%
77	D	12.9	0 to 2	C, H	Open space conservation easement north of lot
78	V	9.6	0 to 2	B	65% of lot has 18.5% slope, rest 12%
79	D	4.7	0 to 1	G	Creek & oddly shaped
80	V	21.5	0 to 4	H	
81	V	3.7	1	F, H	Creek runs through center of parcel
82	D	4.1	0 to 1	H	

Table D (continued)					
Map Code	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints	Constraint Comments
83	D	8	0 to 1	B, H	85% of lot has > 35% slope, rest 5%
84*	V	16.4	3 to 4	D	Subdivided Horton
85	D	9.6	1 to 2	B, H	70% of lot has >50% slope, rest 23%
86	D	3.9	0 to 1	B, H	Average slope of lot ranges from 35-50%
87	D	4.2	0 to 1	B, H	Average slope of lot ranges from 33-50%
88	D	3.1	0	B, H	80% of lot has >38% slope, rest 10%
89*	D	5.2	4	D, H	Subdivided Michelloti
90	D	6.1	0 to 1	B, H	80% of lot has >40% slope, rest 20%
91	D	44.4	1 to 3	B, H	Adobe Creek, 90% of lot >60% slope
92	D	21.3	1 to 2	B, H	Ave. slope =55%; odd shape lot
93	D	3.2	0-1	F, H	Adobe Creek
94	D	5.3	0-1	B, H	60% lot has 63% slope; rest is 16%
95	D	4.5	1	H	
96	D	3.1	0-1	H	
97	D	17.1	2 to 3	B, H	50% of lot > 38% slope; 2 summits
98	D	3	0	B, H	Ave. slope =38%
99	D	3.8	0-1	B, H	Ave. slope =23%
100	V	3.8	1	B, H	Ave. slope =23%
101	V	3.9	1	B, H	Ave. slope =26%
102	D	9.6	0-2	H	
103	D	3.5	0	B, H	90% of lot =38% slope; 10% is 25%
104	D	3	0-1	F, H	Ravine runs through lot
105	D	5.7	0-1	H	
106	D	6	0 to 1	B, H	80% of lot has >40% slope, rest 10%
107	V	3.5	0 to 1	B, H	Steep slopes
108	D	3.1	0 to 1	H	
109	V	12.5	2 to 3	H	
110	V	3.2	1 to 2	H	
111	D	3.8	0 to 1	H	
112	D	3	0 to 1	H	
113	V	4.4	1 to 2	F, H	Odd shape lot
114	D	3.1	0 to 1	F, H	Odd shape and slope
115	D	4.3	0 to 1	B, H	60% of lot has slope of 36%, rest 22%
116*	D	42	1 to 2	D	Wurtz Land already subdivided
117	D	3	0	B, H	Ave. slope=37%; Steep slope in center of lot
118	D	3.3	0 to 1	B, F, H	Odd shape and slope; creek runs through lot
119	D	4.5	0 to 1	B, H	55% of lot has 26.4%; creek runs through lot
120	D	3.3	0 to 1	B, H	50% of lot has 27% slope
121	D	3.1	0 to 1	A	
122	D	3.6	0 to 1	B	30% of lot has 37% slope, rest is under 30%
123	D	11.5	2 to 3	A	Evershine, has 27,000 sq. ft. building on site
124	D	3.4	0 to 1	A	

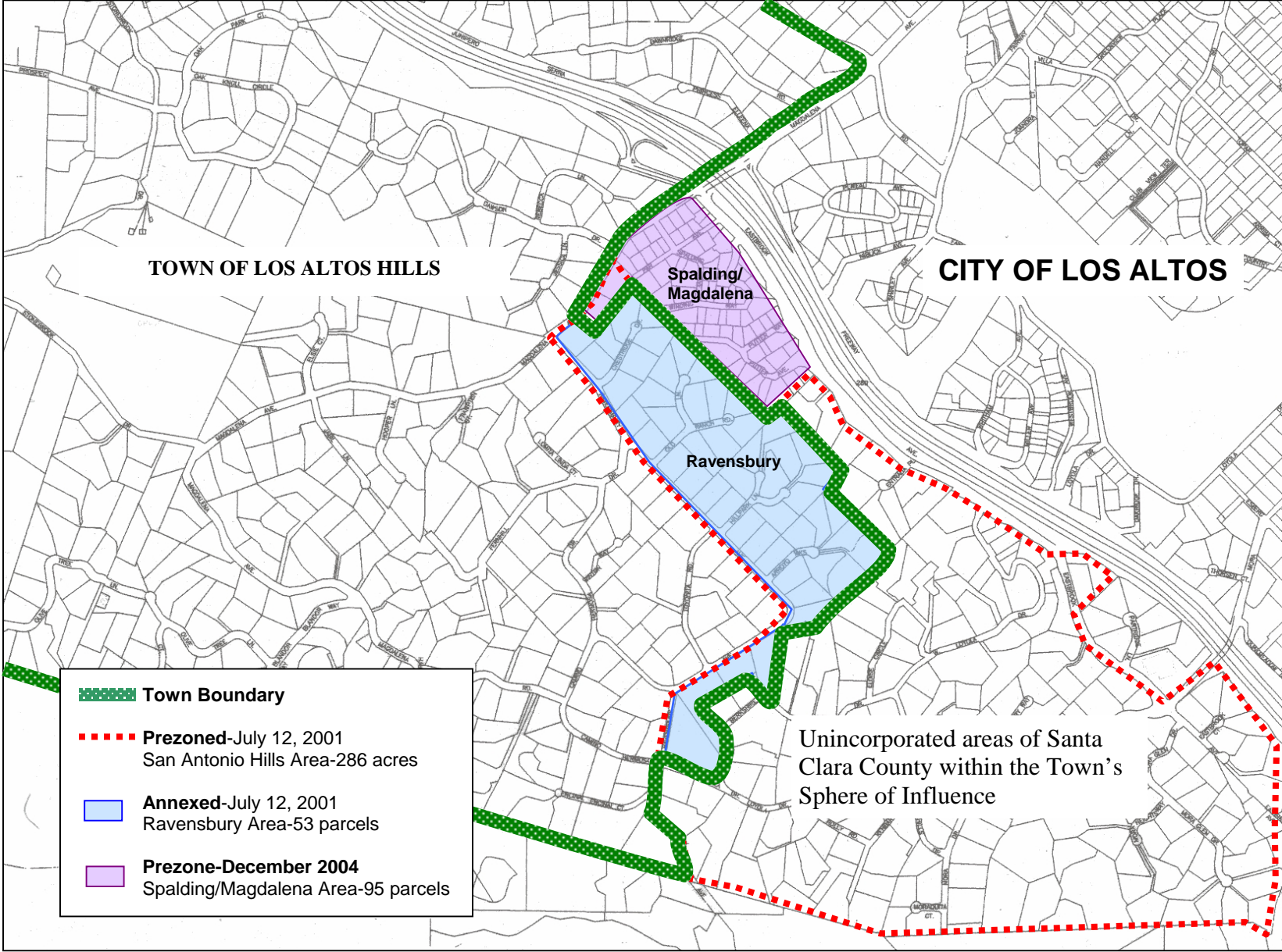
Table D (continued)					
Map Code	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints	Constraint Comments
125	D	4.8	1 to 2	A	
126	D	5	0 to 1	H	
127	D	3.6	0 to 1	H	
128	D	3.1	0 to 1	H	
129	D	7.9	0 to 2	H	
130	D	3.3	0 to 1	F	Gulch, w/creek
131	D	12	3 to 4	F	Gulch, w/creek
132	D	9.2	0	G	Beth-Am Synagogue
133	D	3.2	0 to 1	A	
134	D	10.5	3 to 4	A	
135	D	3.5	0 to 1	H	
136	D	3.5	0 to 1	F	Oddly shaped, Matadero Creek
137	D	3	0 to 1	F	Oddly shaped, Matadero Creek
138	D	44.5	0	G	Daughters of Charity-Senior Housing
139	D	17.32	0	G	Poor Clare Monastery
140	D	17.04	0	I	Fremont Hills Country Club
Potential additional units total			58-176		
*			Parcels that have been subdivided and no longer considered vacant or underdeveloped		

Key to Development Constraints

- A. No known significant constraints.
- B. Steep topography.
- C. Existence of easements restricting development (scenic, drainage, access, etc.).
- D. Parcel recently subdivided or subdivision pending.
- E. Geological (landslides, fault zones, etc.).
- F. Irregular lot size and shape and/or unusual property features (creeks, tree cover, etc.)
- G. Religious Institution.
- H. Limited sewer capacity-Los Altos sewer basin.
- I. Other.

APPENDIX E

Prezone and Annexation Map-San Antonio Hills and Spalding/Magdalena Areas



APPENDIX E-1 **SAN ANTONIO HILLS PREZONE LAND SURVEY-SEPTEMBER 2003**

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
11315	Entrada Pl	331 05 011	D	1.67	0	C
11331	Entrada Pl	331 05 029	D	1	0	C
11316	Entrada Pl	331 05 032	D	1.33	0	C
11320	Entrada Pl	331 05 033	D	1	0	C
1750	Eastbrook Ave	331 05 045	D	1.27	0	C
11330	Entrada Pl	331 05 046	D	1.01	0	C
11339	Eastbrook Ave	331 05 047	D	0.67	0	C
11337	Eastbrook Ave	331 05 048	D	1.14	0	C
11335	Eastbrook Ave	331 05 049	V	1.36	1	C
11333	Eastbrook Ave	331 05 050	V	1.11	1	C
10702	Mora Dr	331 14 003	D	2.06	0 to 1	A
23260	Eastbrook Ave	331 14 009	D	1.21	0	C
23160	Eastbrook Ave	331 14 012	D	0.47	0	C
23170	Eastbrook Ave	331 14 013	D	0.45	0	C
10724	Mora Dr	331 14 015	D	1.32	0	C
23271	Mora Heights Way	331 14 019	D	1.48	0	C
23281	Mora Heights Way	331 14 020	D	1.64	0	C
23291	Mora Heights Way	331 14 021	D	1.27	0	C
23288	Mora Heights Way	331 14 022	D	1.08	0	C
23270	Mora Heights Way	331 14 024	D	1.04	0	C
23260	Mora Heights Way	331 14 025	D	1	0	C
23220	Mora Glen Dr	331 14 026	D	1	0	C
23200	Mora Glen Dr	331 14 027	D	1.34	0	C
23180	Mora Glen Dr	331 14 028	D	1.06	0	C
23160	Mora Glen Dr	331 14 029	D	1.03	0	C
23150	Mora Glen Dr	331 14 030	D	0.23	0	C
23140	Mora Glen Dr	331 14 031	D	1.19	0	C
23130	Mora Glen Dr	331 14 032	D	1.12	0	C
23121	Mora Glen Dr	331 14 033	D	1.21	0	C
23131	Mora Glen Dr	331 14 034	D	1.25	0	C
23141	Mora Glen Dr	331 14 035	D	1.18	0	C
23221	Mora Glen Dr	331 14 037	D	1	0	C
23263	Mora Glen Dr	331 14 038	D	1	0	C
23311	Mora Glen Dr	331 14 039	D	1.01	0	C
23300	Eastbrook Ave	331 14 040	D	1.23	0	C
23284	Mora Heights Way	331 14 041	D	1.03	0	C
23205	Mora Glen Dr	331 14 047	D	1.03	0	C
23215	Mora Glen Dr	331 14 048	D	1.11	0	C
23280	Mora Heights Way	331 14 053	D	1.68	0	C
10700	Mora Dr	331 14 054	D	4.67	2 to 3	A
10690	Mora Dr	331 14 055	D	1.4	0	C

Table E-1 (continued)

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
	Mora Glen Dr	331 14 057	V	0.02	0	E
23171	Mora Glen Dr	331 14 058	D	1	0	C
23211	Eastbrook Ave	331 14 061	D	0.59	0	C
23151	Mora Glen Dr	331 14 062	D	1.66	0	C
10696	Mora Dr	331 14 064	D	1.51	0	C
11091	Mora Dr	331 15 004	D	0.91	0	C
11055	Mora Dr	331 15 005	D	1	0	C
11001	Mora Dr	331 15 006	D	0.75	0	C
10980	Terry Way	331 15 007	D	0.97	0	C
10999	Terry Way	331 15 010	D	1.01	0	C
10977	Terry Way	331 15 011	D	1.08	0	C
10971	Terry Way	331 15 012	D	1.16	0	C
10915	Mora Dr	331 15 014	D	1.15	0	C
10869	Mora Dr	331 15 015	D	1.62	0	C
10831	Mora Dr	331 15 016	D	1	0	C
	Mora Dr	331 15 021	V	0.43	1	C
10730	Mora Dr	331 15 022	D	1.62	0	C
10776	Mora Dr	331 15 023	D	1.22	0	C
11030	Mora Dr	331 15 027	D	1.16	0	C
11060	Mora Dr	331 15 028	D	1.14	0	C
11090	Mora Dr	331 15 029	D	1	0	C
11120	Mora Dr	331 15 030	D	0.99	0	C
11140	Mora Dr	331 15 033	D	1.33	0	C
10401	Sunhills Dr	331 15 036	D	1.02	0	C
11185	Mora Dr	331 15 038	D	0.53	0	C
11000	Mora Dr	331 15 041	D	1.52	0	C
10970	Mora Dr	331 15 042	D	1.9	0	C
10701	Mora Dr	331 15 046	D	1.09	0	C
	Mora Dr	331 15 047	V	1.02	1	C
10990	Terry Way	331 15 048	D	1	0	C
11000	Terry Way	331 15 049	D	1.11	0	C
10755	Mora Dr	331 15 050	D	0.93	0	C
10691	Mora Dr	331 15 051	D	0.93	0	C
11151	Mora Dr	331 15 052	D	2.39	0 to 1	A
11111	Mora Dr	331 15 053	D	0.91	0	C
11170	Mora Dr	331 15 054	D	1.13	0	C
10810	Mora Dr	331 15 055	D	0.65	0	C
10840	Mora Dr	331 15 056	D	0.79	0	C
10868	Mora Dr	331 15 057	D	0.78	0	C
11011	Eastbrook Ave	331 15 058	D	0.4	0	C
11001	Eastbrook Ave	331 15 059	D	0.59	0	C
10620	W Loyola Dr	331 16 004	D	1.04	0	C
10666	W Loyola Dr	331 16 005	D	0.96	0	C

Table E-1 (continued)

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
10836	W Loyola Dr	331 16 006	D	2.48	0 to 1	A
10855	W Loyola Dr	331 16 044	D	1.51	0	C
10811	W Loyola Dr	331 16 045	D	0.88	0	C
10795	W Loyola Dr	331 16 046	D	1.44	0	C
10695	Eloise Cir	331 16 049	D	0.96	0	C
10685	Eloise Cir	331 16 051	D	0.88	0	C
10665	Eloise Cir	331 16 054	D	0.92	0	C
10625	Eloise Cir	331 16 056	D	1.13	0	C
10575	Berkshire Dr	331 16 057	D	1	0	C
11080	W Loyola Dr	331 16 072	D	0.3	0	C
10501	W Loyola Dr	331 16 084	D	1.49	0	C
11040	Eastbrook Ave	331 16 088	D	1	0	C
11050	Eastbrook Ave	331 16 090	D	1.14	0	C
10620	Berkshire Dr	331 16 095	D	1.53	0	C
10665	W Loyola Dr	331 16 096	D	1.08	0	C
10660	Eloise Cir	331 16 097	D	1.39	0	C
10655	Eloise Cir	331 16 098	D	1.74	0	C
10645	Eloise Cir	331 16 099	D	1.71	0	C
10451	Sunhills Dr	331 16 101	D	1.15	0	C
10600	Chardonnay Ln	331 16 110	D	1	0	C
10590	Chardonnay Ln	331 16 111	D	0.83	0	C
10580	Chardonnay Ln	331 16 112	D	1.02	0	C
11441	Eastbrook Ave	331 16 113	D	0.53	0	C
10905	W Loyola Dr	331 16 116	D	1.03	0	C
10885	W Loyola Dr	331 16 117	D	1.03	0	C
10861	W Loyola Dr	331 16 118	D	1.56	0	C
11070	Eastbrook Ave	331 16 128	D	0.64	0	C
10711	Eloise Cir	331 16 132	D	1.49	0	C
10675	Eloise Cir	331 16 133	D	1.26	0	C
10669	Eloise Cir	331 16 134	D	1.28	0	C
11078	Eastbrook Ave	331 16 135	D	0.38	0	C
10800	W Loyola Dr	331 16 140	D	0.99	0	C
10531	Berkshire Dr	331 17 001	D	1.02	0	C
10515	Berkshire Dr	331 17 002	D	2	0 to 1	A
10501	Berkshire Dr	331 17 003	D	1.09	0	C
10305	Kenbar Rd	331 17 012	D	1.08	0	C
10320	Rolly Rd	331 17 017	D	0.91	0	C
10290	Rolly Rd	331 17 018	D	1.01	0	C
10315	Kenbar Rd	331 17 019	D	1.08	0	C
10275	Kenbar Rd	331 17 020	D	1.46	0	C
10274	Kenbar Rd	331 17 021	D	1.57	0	C
10451	Kenbar Rd	331 17 023	D	0.91	0	C
10291	Rolly Rd	331 17 024	D	0.99	0	C

Table E-1 (continued)

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
10490	W Loyola Dr	331 17 027	D	1.04	0	C
10490	W Loyola Dr	331 17 027	D	1.04	0	C
10545	W Loyola Dr	331 17 029	D	0.94	0	C
10344	W Loyola Dr	331 17 031	D	1.02	0	C
10605	Berkshire Dr	331 17 035	D	1.02	0	C
10535	W Loyola Dr	331 17 037	D	1.01	0	C
10371	Berkshire Dr	331 17 039	D	1.1	0	C
10364	Kenbar Rd	331 17 043	V	1.11	1	C
10295	Kenbar Rd	331 17 046	D	1.1	0	C
10444	Berkshire Dr	331 17 049	D	1	0	C
10450	Berkshire Dr	331 17 050	D	2.48	0 to 1	A
10240	W Loyola Dr	331 17 052	D	1.26	0	C
	W Loyola Dr	331 17 053	V	1.04	1	C
10401	W Loyola Dr	331 17 054	D	3.51	1 to 2	A
	W Loyola Dr	331 17 055	V	1.04	1	C
10364	Kenbar Rd	331 17 056	D	1.94	0	C
10450	Kenbar Rd	331 17 057	D	1.13	0	C
10465	Berkshire Dr	331 17 058	D	0.21	0	C
10455	Berkshire Dr	331 17 059	D	1.07	0	C
	Berkshire Dr	331 17 062	V	2.48	1 to 2	A
10180	W Loyola Dr	331 17 065	D	0.91	0	C
10320	W Loyola Dr	331 17 069	D	2.08	0 to 1	D
10340	W Loyola Dr	331 17 070	D	1.36	0	C
10300	W Loyola Dr	331 17 071	V	1	1	C, D
10300	W Loyola Dr	331 17 072	D	2.94	0 to 1	D
10580	Berkshire Dr	331 17 073	D	1	0	C
10225	W Loyola Dr	331 17 074	D	2.95	0 to 1	A
10410	W Loyola Dr	331 17 075	D	1.61	0	C
10415	Berkshire Dr	331 17 076	D	1	0	C
10271	W Loyola Dr	331 17 078	D	1.23	0	C
10500	Sunhills Dr	331 17 079	D	0.7	0	C
10450	W Loyola Dr	331 17 081	D	0.93	0	C
10380	W Loyola Dr	331 17 082	D	0.95	0	C
10435	Berkshire Dr	331 17 083	D	0.82	0	C
10840	W Loyola Dr	331 21 001	V	2.09	1 to 2	A
10842	W Loyola Dr	331 21 002	V	1	1	C
11033	Eastbrook Ave	331 21 005	D	1.27	0	C
11031	Eastbrook Ave	331 21 006	D	1.07	0	C
11029	Eastbrook Ave	331 21 007	D	1.08	0	C
11027	Eastbrook Ave	331 21 008	D	1.28	0	C
11035	Eastbrook Ave	331 21 009	D	1.38	0	C
10850	W Loyola Dr	331 21 010	D	0.9	0	C
10858	W Loyola Dr	331 21 011	D	0.31	0	C

Table E-1 (continued)

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
23301	Partridge Ln	331 24 001	D	1	0	C
23291	Partridge Ln	331 24 002	D	1	0	C
23281	Partridge Ln	331 24 003	D	1	0	C
23271	Partridge Ln	331 24 004	D	1	0	C
23261	Partridge Ln	331 24 005	D	1	0	C
23251	Partridge Ln	331 24 006	D	1.01	0	C
23241	Partridge Ln	331 24 007	D	1.17	0	C
11311	Mora Dr	331 24 008	V	2.55	1 to 2	A
23305	Eastbrook Ave	331 24 009	D	0.93	0	C
23275	Eastbrook Ct	331 24 010	D	1	0	C
23255	Eastbrook Ct	331 24 011	D	0.92	0	C
23195	Eastbrook Ave	331 24 014	D	1.17	0	C
	Eastbrook Ave	331 24 016	V	0.01	0	E
Potential additional units total					15-21	

Key to Development Constraints

- A. No known significant constraints.
- B. Steep topography.
- C. Lots that are < 2 acre; Will result in substandard lots if subdivided.
- D. Geological (landslides, fault zones, etc.).
- E. Irregular lot size and shape and/or unusual property features (creeks, tree cover, etc.)
- F. Other.

APPENDIX E-2

SPALDING MAGDALENA AREA LAND SURVEY-SEPTEMBER 2003

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
11691	Par Ave	331 02 010	D	0.16	0	B
11741	Par Ave	331 02 011	D	0.15	0	B
11730	Par Ave	331 02 012	D	0.20	0	B
24041	Spaulding Ave	331 02 013	D	0.20	0	B
11677	Par Ave	331 02 015	D	0.15	0	B
11663	Par Ave	331 02 016	D	0.23	0	B
11649	Par Ave	331 02 017	D	0.16	0	B
11626	Par Ave	331 02 018	D	0.37	0	B
11720	Par Ave	331 02 022	D	0.28	0	B
11755	Winding Way	331 02 025	D	0.45	0	B
11751	Winding Way	331 02 026	D	0.32	0	B
11673	Winding Way	331 02 028	D	0.30	0	B
23951	Spaulding Ave	331 02 030	D	0.14	0	B
23985	Spaulding Ave	331 02 031	D	0.23	0	B
11611	Winding Way	331 02 036	D	0.42	0	B
11750	Par Ave	331 02 079	D	0.28	0	B
11625	Par Ave	331 02 099	D	0.22	0	B
11770	Par Ave	331 02 100	D	0.17	0	B
23991	Spaulding Ave	331 02 102	D	0.18	0	B
11662	Par Ave	331 02 103	D	0.46	0	B
23980	Spaulding Ave	331 02 104	D	0.39	0	B
23989	Spaulding Ave	331 02 105	D	0.17	0	B
11745	Winding Way	331 02 106	D	0.20	0	B
11617	Winding Way	331 02 107	D	0.14	0	B
11701	Winding Way	331 02 108	D	0.21	0	B
11725	Winding Way	331 02 109	D	0.15	0	B
11690	Par Ave	331 02 110	D	0.15	0	B
	Spaulding Ave Hills	331 02 111	V	0.14	0 to 1	A
2394	Spaulding Ave Hills	331 02 112	D	0.20	0	B
24040	Spaulding Ave	331 02 113	D	0.15	0	B
11615	Winding Way	331 02 116	D	0.15	0	B
23968	Spaulding Ave	331 02 119	D	0.11	0	B
23958	Spaulding Ave	331 02 120	D	0.15	0	B
11339	Eastbrook Ave	331 05 047	D	0.67	0	B
11337	Eastbrook Ave	331 05 048	D	1.14	0	C
11333	Eastbrook Ave	331 05 050	D	1.11	0	C
23160	Eastbrook Ave	331 14 012	D	0.47	0	B
23170	Eastbrook Ave	331 14 013	D	0.45	0	B
23300	Eastbrook Ave	331 14 040	D	1.23	0	C
23211	Eastbrook Ave Hills	331 14 061	D	0.59	0	B
11011	Eastbrook Ave	331 15 058	D	0.40	0	B

Table E-2 (continued)

Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
11001	Eastbrook Ave	331 15 059	D	0.59	0	B
11050	Eastbrook Ave	331 16 090	D	1.14	0	C
11441	Eastbrook Ave	331 16 113	D	0.53	0	B
11070	Eastbrook Ave	331 16 128	D	0.64	0	B
11045	Eastbrook Ave Hills	331 16 129	D	0.50	0	B
11078	Eastbrook Ave	331 16 135	D	0.38	0	B
11675	Putter Way	331 20 002	D	0.35	0	B
23811	Putter Way	331 20 004	D	0.33	0	B
11600	Eastbrook Ave	331 20 005	D	0.23	0	B
11711	Putter Way	331 20 011	D	0.17	0	B
11555	Putter Ct	331 20 016	D	0.26	0	B
11549	Putter Ct	331 20 017	D	0.13	0	B
11670	Winding Way	331 20 020	D	0.14	0	B
11712	Winding Way	331 20 021	D	0.21	0	B
11701	Putter Way	331 20 027	D	0.21	0	B
11695	Putter Way	331 20 029	D	0.21	0	B
11671	Putter Way	331 20 030	D	0.25	0	B
11661	Putter Way	331 20 031	D	0.23	0	B
11682	Winding Way	331 20 032	V	0.29	0 to 1	A
11611	Eastbrook Ave	331 20 035	D	0.30	0	B
11680	Putter Way	331 20 036	D	0.28	0	B
11690	Putter Way	331 20 037	D	0.14	0	B
11721	Putter Way	331 20 038	D	0.23	0	B
23815	Putter Way	331 20 039	D	0.43	0	B
	Putter Way	331 20 040	V	0.18	0 to 1	A
11685	Putter Way	331 20 041	D	0.75	0	B
11634	Winding Way	331 20 043	D	0.52	0	B
11750	Winding Way	331 20 044	D	0.29	0	B
11754	Eastbrook Ave	331 20 045	D	0.55	0	B
11549	11549 Putter Ct	331 20 047	V	0.19	0 to 1	A
11665	11665 Putter Way Hills	331 20 048	D	0.35	0	B
11655	11655 Putter Way Hills	331 20 053	D	0.31	0	B
11645	Putter Way	331 20 054	D	0.28	0	B
11650	Winding Way	331 20 055	D	0.17	0	B
11666	Winding Way	331 20 056	D	0.29	0	B
23830	Putter Way	331 20 058	D	0.57	0	B
23820	Putter Way	331 20 059	D	0.23	0	B
11724	Winding Way	331 20 060	D	0.26	0	B
11734	Winding Way Hills	331 20 061	D	0.18	0	B
11716	Winding Way	331 20 063	D	0.24	0	B
11720	Winding Way	331 20 064	D	0.32	0	B
11722	Putter Way	331 20 065	D	0.14	0	B
11712	Putter Way	331 20 067	D	0.12	0	B

Table E-2 (continued)

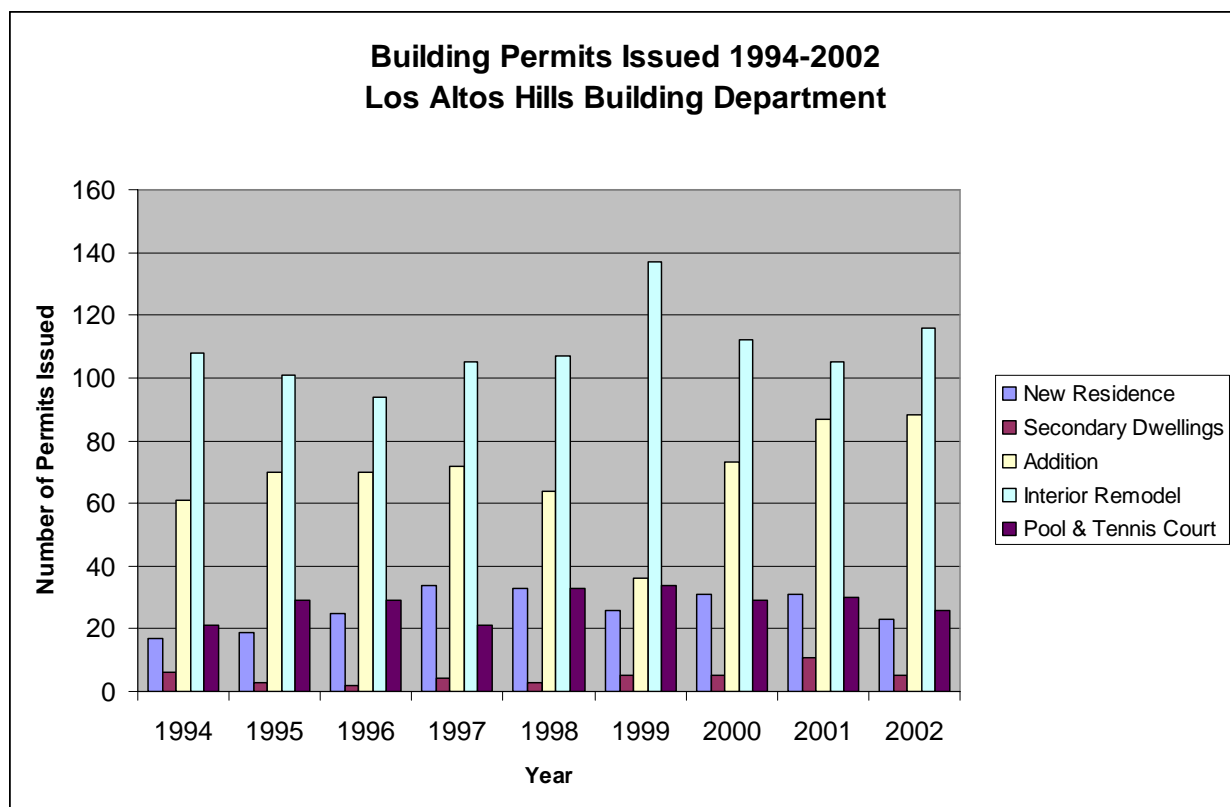
Number	Address	APN#	Vacant (V) or Developed (D)	Approximate Area in Acres	Development Potential in Number of Subdivision Units	Development Constraints
11700	Putter Way	331 20 069	D	0.14	0	B
11033	Eastbrook Ave	331 21 005	D	1.27	0	C
11031	Eastbrook Ave	331 21 006	D	1.07	0	C
11029	Eastbrook Ave	331 21 007	D	1.08	0	C
11027	Eastbrook Ave	331 21 008	D	1.28	0	C
11035	Eastbrook Ave	331 21 009	D	1.38	0	C
23305	Eastbrook Ave Hills	331 24 009	D	0.93	0	B
23195	Eastbrook Ave	331 24 014	D	1.17	0	C
23175	Eastbrook Ave Hills	331 24 015	D	1.18	0	C
23165	Eastbrook Ave Hills	331 24 017	D	1.58	0	C
Potential additional units total					0-4	

Key to Development Constraints

- A. No known significant constraints.
- B. Substandard Lot, to remain legal non-conforming at <1 acre.
- C. Lots that are < 2 acre; Will result in substandard lots if subdivided.

APPENDIX F RESIDENTIAL CONSTRUCTION 1994-2002

Type Permits Issued	1994	1995	1996	1997	1998	1999	2000	2001	2002
New Residence	17	19	25	34	33	26	31	31	23
Secondary Dwellings	6	3	2	4	3	5	5	11	5
Addition	61	70	70	72	64	36	73	87	88
Interior Remodel	108	101	94	105	107	137	112	105	116
Pool & Tennis Court	21	29	29	21	33	34	29	30	26



APPENDIX G
ESTIMATED FEES FOR HOUSING CONSTRUCTION

Item	Cost
Building Permit	\$ 10,580
Schools Fees	\$ Varies- Set by Palo Alto or Los Altos School Districts
Site Development	\$ 4,150
Pathway In-Lieu Fee (Varies- \$42 per linear ft. based on average width of lot)	\$ 6,300 (Estimate based on 1 acre parcel with average lot width of 150')
Energy Fee:	\$ 6,000
Sewer Connection	\$ Varies- Set by Palo Alto or Los Altos
Planned Drainage Facilities:	\$ 4,050
Total:	\$ 31,080

Fees based on construction of a four bedroom, 5,000 sq. ft. house with 400 sq.ft. garage.
Includes building permit fee, building and planning department plan check fees and deposits